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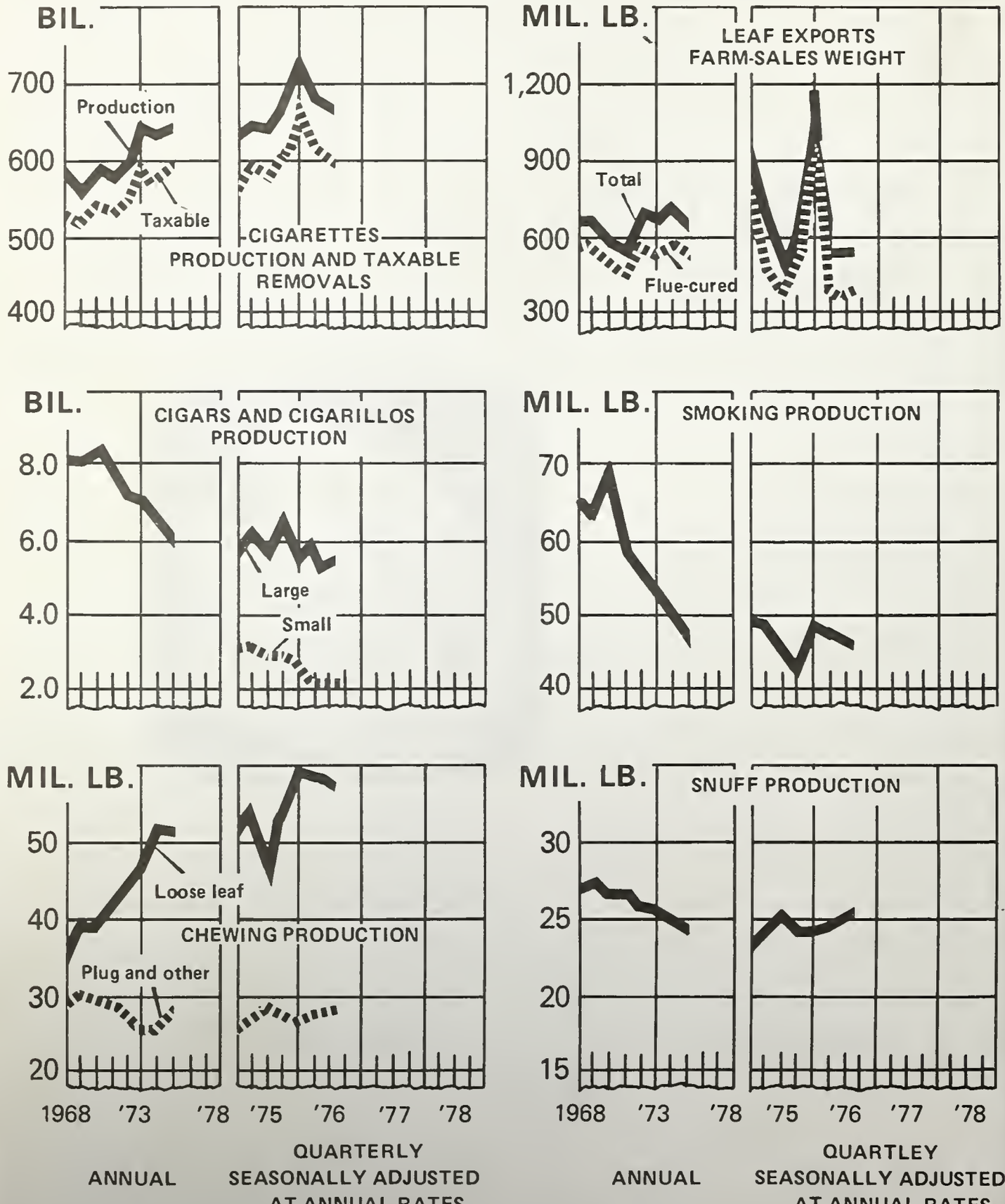
TOBACCO Situation

ECONOMIC RESEARCH SERVICE

U.S. DEPARTMENT OF AGRICULTURE

TOBACCO OUTLETS

Trends in Manufactured Products and Exports



ANNUAL | QUARTERLY SEASONALLY ADJUSTED AT ANNUAL RATES

ANNUAL | QUARTLEY SEASONALLY ADJUSTED AT ANNUAL RATES

USDA

LAST QUARTER SHOWN ESTIMATED.

NEG. ERS 229-76 (9)

THE TOBACCO SITUATION

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Approved by
The Outlook and Situation Board
and Summary released
September 14, 1976

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The *Tobacco Situation* is published in March, June, September, and December.

SUMMARY

This year's tobacco production is below 1975 due to lower quotas and dry weather. However, carryover is a little larger than first forecast, increasing the supply for the 1976/77 marketing year by 2 percent. With the exception of certain grades and kinds, the supply—at 5.3 billion pounds—will be generally adequate.

The September 1 estimate of U.S. tobacco output is 2.0 billion pounds, down 7 percent from 1975, in part due to a 6-percent smaller acreage. Carryover of tobacco into the 1976/77 marketing year (beginning July 1 for flue-cured and cigar wrapper types, October 1 for all others) is up 8 percent.

Worldwide, the tobacco industry is expected to show another gain in sales volume, but total disappearance of U.S. tobacco in 1976/77 may change little from the 1.94 billion pounds of the marketing year now ending. U.S. cigarette production is expected to gain, but U.S. tobacco, particularly flue-cured, may continue to lose out in foreign markets. Burley could get another boost from the worldwide surge in demand for blended cigarettes.

For the year ending next June, U.S. cigarette output is expected to exceed the record high 688 billion produced in 1975/76. Domestic use and exports are also increasing. Despite numerous no-smoking laws, persons 18 and older apparently will smoke about the same number of cigarettes in calendar 1976 as last year's 206 packs per capita. Total U.S. cigarette consumption may go up by 2 percent in line with population growth. Chewing tobacco output continues upward. By contrast, the outlook for cigars, snuff, and smoking tobacco is for continuation of stable or declining trends.

Despite larger tobacco supplies, U.S. leaf exports for the year ending June 30, 1977, may not equal last year's reduced level of 588 million pounds (652 million, farm-sales weight). Stocks and production are gaining in other countries, and this year's U.S. flue-cured crop is selling at record high prices. While EC countries have been hurt by less favorable dollar conversion rates, Japan, our leading export destination, is expected to maintain its high levels of U.S. tobacco purchases. The Middle East is the chief area of possible expansion.

U.S. manufacturers' stocks of imported cigarette tobaccos (July 1) represent 2.4 years' usings. For-

eign tobacco still maintains a price advantage so U.S. cigarette tobacco imports in 1976/77 may come close to last fiscal year's near record of 260 million pounds (farm-sales weight). Imports for consumption in 1975/76 dropped 10 million pounds but still accounted for about 20 percent of tobacco used in cigarettes. In 1975/76 U.S. cigar manufacturers used about 70 percent foreign-grown tobacco.

October 29 is the deadline for giving comments to USDA about the national marketing quota for the 1977 flue-cured tobacco crop. The quota will be announced by December 1, with individual farm quotas and allotments reflecting under- and over-marketings in the current crop. USDA will hold the triennial quota referendum shortly after the quota announcement. Marketing quotas for burley and other kinds of tobacco will be announced by next February 1. Based on the formula required by law, 1977 price support levels for eligible tobaccos are likely to increase about 7 percent over 1976.

The supply of U.S. flue-cured tobacco is 3.2 billion pounds, about 3 percent above last year. The 1976 crop, estimated at 1.3 billion pounds, is down 10 percent, but the carryover into the current season was up 13 percent. During the past marketing year as exports declined and domestic use gained, total use fell 1 percent. Not much change is expected this season. The 1976 crop marketings will exceed use, so the carryover next July 1 is expected to rise.

Under the grower designation program, farmers started selling the 1976 flue-cured tobacco crop on July 8, the same opening date as in 1975. Farmers had marketed about 55 percent of the crop by September 10. Weekly market averages gained steadily as the season progressed and by the second week of September reached a record $1.18 per pound, 14 cents above that week a year earlier. Through mid-September, 18 percent of flue-cured marketings went under Government loan. The sizable loan placements have raised total loan stocks back to the average level of 1967-76.

The supply of U.S. burley tobacco approximates the year-earlier total. Currently, supply represents 2.8 years' use, about adequate to maintain use. The burley crop is a little less than last year and carryover from 1975/76 is up. Disappearance probably held steady during the 1975/76 crop year (October-September).

A larger crop is helping to boost 1976/77 supplies of Southern Maryland tobacco. Supplies of fire-cured and cigar tobacco are about the same while dark air-cured supplies are reduced.

A GAVEL-TO-GAVEL INVITATION

Be there when the "gavel" falls at USDA's Thomas Jefferson Auditorium, Washington, D.C., for this year's National Agricultural Outlook Conference, Nov. 15-18.

Preview the 1977 outlook for agriculture with leading Government and business authorities who know that your success turns upon anticipating the future.

Share the latest future intelligence as you size up next year's uncertainties in outlook sessions on the U.S. agricultural and general economies, world trade, weather patterns, retail food supplies and prices, emerging farm policy issues, farm inputs, food marketing and distribution, and the major farm commodities.

Or, if consumer affairs are your bread-and-butter, attend the family living sessions for the latest news and prospects in legislation, money management, clothing, housing, health care, and household food consumption.

The National Agricultural Outlook Conference is sponsored by USDA's Economic Research Service, Agricultural Research Service, and Extension Service. Attend the sessions of your choice or be there "gavel to gavel." There is no cost to attend and no advance reservations are required.

The outlook session for tobacco is now scheduled for Tuesday, November 16.

For a schedule of the Conference, call (202) 447-7255 or write: U.S. Department of Agriculture, ERS-Division of Information, Room 0054 South Bldg., Washington, D.C. 20250.

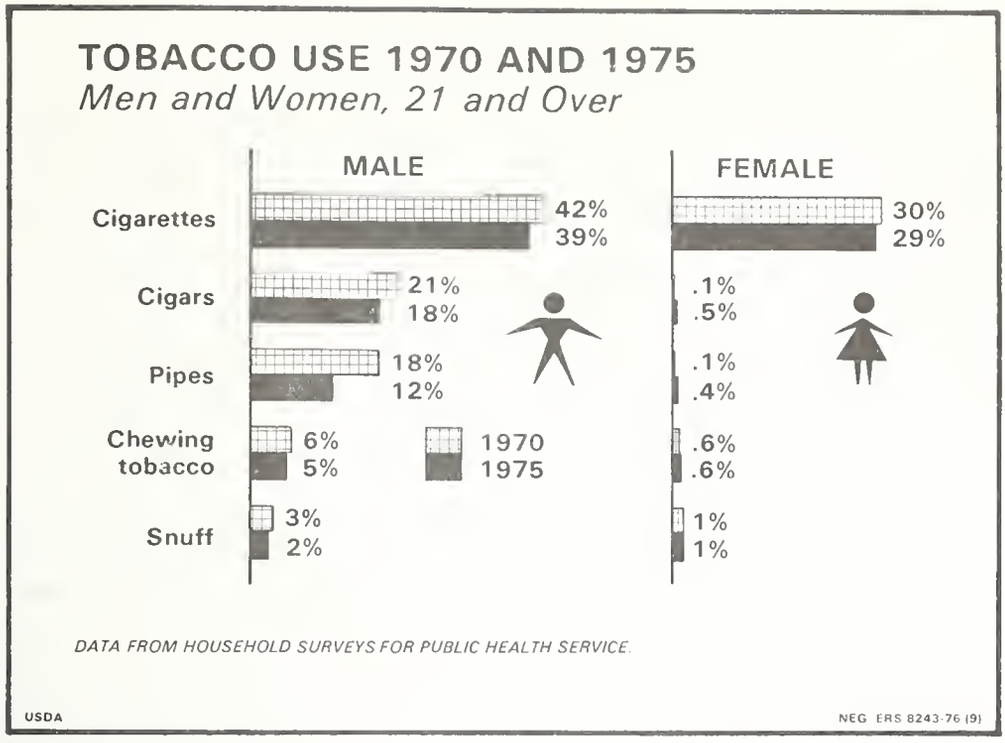


Table 1--Cigarettes: U.S. output, removals, and consumption, 1970-76

Year	Output	Removals				Estimated inventory increase	Total U.S. consumption 3/
		Taxable	Tax-exempt				
			Total	Exports	Shipments 1/	Overseas forces 2/		
	Billions							
1970	583.2	532.8	51.2	29.2	3.7	18.4	14.7	536.5
1971	576.4	528.9	49.2	31.8	2.7	14.7	-11.4	555.1
1972	599.1	551.0	49.0	34.6	2.1	12.3	-3.3	566.8
1973	644.2	590.3	55.9	41.5	2.0	12.4	13.1	589.7
1974	635.0	576.2	59.2	46.9	1.9	10.4	-12.1	599.0
1975	651.2	588.3	62.3	50.2	1.5	10.6	8.0	607.2
1976 4/	700.0	623.5	76.0	64.0	2.0	10.0	14.0	620.0
	Year ending June 30 --							
1971	585.1	539.6	47.5	29.0	3.2	15.2	.9	544.0
1972	592.6	542.6	50.2	32.8	2.2	15.2	-8.5	566.4
1973	615.6	562.7	52.2	38.3	2.3	11.6	-2.2	576.8
1974	652.0	594.9	59.1	44.9	2.0	12.2	12.2	595.0
1975	626.8	570.3	57.4	46.6	1.7	9.1	-21.7	601.0
1976 5/	688.2	619.1	69.8	58.2	2.0	9.6	14.0	615.0

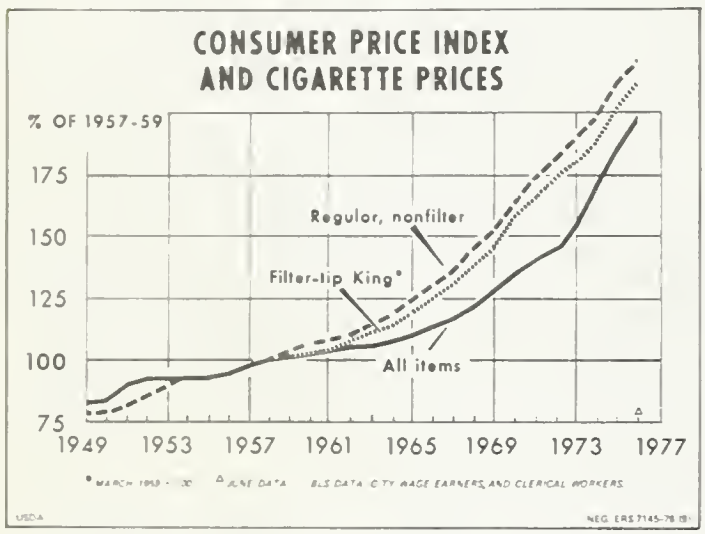
1/ To Puerto Rico and other U.S. possessions. 2/ Includes ship stores and small tax-exempt categories. 3/ Taxable removals, overseas forces, inventory change and imports (negligible). 4/ Estimated. 5/ Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

Cigarette Use Continues Gaining

U.S. cigarette smoking in calendar 1976 likely will rise 2 percent from 1975. Anti-smoking laws have proliferated, but more people are of smoking age and per capita use is about the same. This year's cigarette prices have increased at about the same rate as consumer prices generally. A moderate increase in economic activity is expected in 1977, and cigarette smoking may show another gain (table 1).

Americans smoked 310 billion cigarettes in the first half of 1976, about 2 percent above the revised estimate for a year earlier. In the second half, the figure is expected to exceed the 300 billion of a year ago.



U.S. cigarette exports to leading destinations, 1975-76

Country	July 1975-June 1976	January-July	
		1975	1976[1]
	Billions	*Billions*	*Billions*
Belgium-Luxembourg	9.4	3.7	5.6
Hong Kong	5.0	2.0	3.3
Netherlands Antilles	4.3	2.0	2.3
Japan	3.4	1.5	1.2
Iran	4.3	1.7	2.9
Saudi Arabia	2.5	1.4	1.8
Spain	3.1	1.2	2.3
Kuwait	2.2	1.2	1.4
United Arab Emirates	2.4	.7	1.3
Canary Islands	1.3	.7	.7
Syrian Arab Republic	2.6	.7	2.0
Lebanon	.7	.5	.1
Panama	.9	.5	.6
Other countries	16.2	8.6	9.3
Total	58.2	26.4	34.8

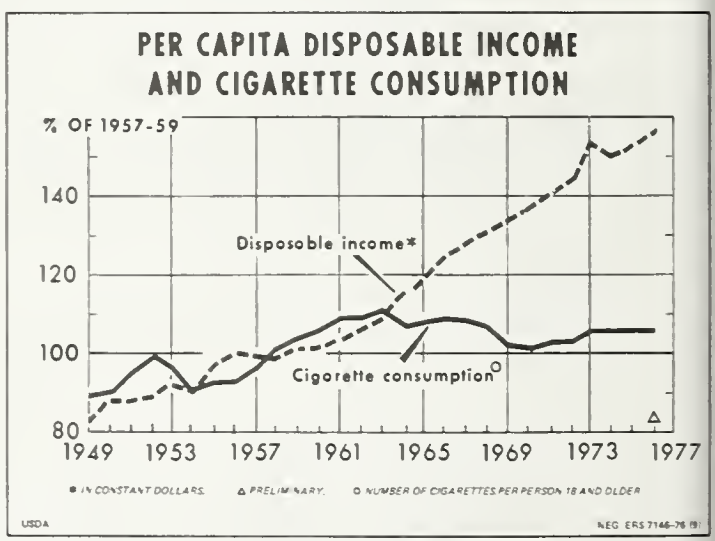
[1] Subject to revision.

Compiled from publications and records of the Bureau of the Census.

Consumption per person (18 and older) this year is staying about the same as last year's 4,121 cigarettes, or about 206 packs (table 2). The filter share is gaining again, but the 100 mm. share may have stabilized at about one-fourth of sales volume.

With improved economic conditions this year and substantial promotions of new low-tar and low-nicotine brands, manufacturers have built up cigarette inventories. Output in the year ending June 30 was up 10 percent in contrast to a 4-percent decline in fiscal 1975.

In the first 7 months of calendar 1976, cigarette exports increased 32 percent. In the same period in 1975, exports were down 1 percent from 1974 levels. For 1976, output may rise about 5 percent from last year and next year's output may show another gain.



Cigarette Prices Rising

The uptrend in retail prices is continuing (table 3). Costs of leaf tobacco and other ingredients are rising this year. Manufacturers blend tobaccos from 2 or 3 different crop years; some firms figure their replacement costs as tobacco is used while other firms average the different annual purchase costs, so some price increases could occur within the next several months.

In July, retail prices of cigarettes were 4 percent above a year earlier. Manufacturers raised wholesale prices last November and distribution costs are up.

So far this year, State cigarette tax rates have remained unchanged. In 1975 there were increases in four States and the District of Columbia and hikes in two States in 1974. The weighted average State cigarette tax was 12.4 cents per pack in mid-1976, about the same as a year earlier. State taxes

Table 2—Consumption per capita of tobacco products in the United States (including overseas forces), 1967-76

Year	Per capita 18 years and over				Per male 18 years and over			
	Cigarettes[1]		Snuff	All tobacco products[1]	Large cigars and cigarillos		Smoking tobacco[2]	Chewing tobacco[2]
	Number	*Pounds*	*Pounds*	*Pounds*	*Number*	*Pounds*	*Pounds*	*Pounds*
1967	4,280	8.86	.23	10.80	130.7	2.28	1.08	1.04
1968	4,186	8.69	.21	10.59	126.5	2.15	1.11	1.05
1969	3,993	8.11	.20	10.04	125.0	2.11	1.08	1.09
1970	3,985	7.77	.19	9.68	125.3	2.08	1.15	1.06
1971	4,037	7.75	.19	9.52	119.2	1.94	1.06	1.09
1972	4,043	7.95	.18	9.65	108.9	1.74	1.00	1.08
1973	4,148	7.92	.18	9.53	102.4	1.61	.88	1.10
1974	4,141	7.90	.18	9.40	91.9	1.47	.87	1.13
1975[3]	4,121	7.75	.17	9.14	82.4	1.32	.76	1.12
1976[4]	4,140	7.45	.16	8.76	74.1	1.19	.73	1.14

[1] Unstemmed processing weight. [2] Finished product weight. [3] Subject to revision. [4] Estimated.

Table 3—Tobacco demand factors, 1967-76

Year	Population July 1[1]	Disposable personal income, per capita[2]		Consumer price indexes				
		Current prices	1972 prices	All items	Tobacco products	Cigarettes		Cigars, regular size
						Nonfilter tip, regular	Filtertip, King size	
	Million	*Dollars*	*Dollars*	*1967=100*	*1967=100*	*1967=100*	*1967=100*	*1967=100*
1967	128.3	2,740	3,371	100.0	100.0	100.0	100.0	100.0
1968	130.4	2,930	3,464	104.2	106.3	106.9	106.4	101.3
1969	132.5	3,111	3,515	109.8	111.9	112.7	112.3	104.3
1970	135.2	3,348	3,619	116.3	122.2	122.4	122.5	105.4
1971	137.5	3,588	3,714	121.3	126.4	127.9	128.1	107.1
1972	139.8	3,837	3,837	125.3	133.4	134.8	135.4	110.8
1973	142.2	4,285	4,062	133.1	137.0	138.7	139.1	112.9
1974	144.6	4,639	3,968	147.7	143.8	145.5	145.9	119.5
1975	147.3	5,062	4,007	161.2	153.9	156.0	156.5	124.2
1976[3]	149.7	5,530	4,150	170.5	160.0	162.5	163.0	129.5

[1] 18 years and older including armed forces overseas. [2] Based on total population. [3] Estimated.

range from 2 cents per pack in North Carolina to 21 cents in Connecticut. Many city and local governments also tax cigarettes.

Federal Cigarette Tax Hike Defeated

The U.S. Senate on August 6 tabled an amendment to the Tax Reform Act of 1976 that would impose a five-step tax on cigarettes based on "tar" and nicotine content. The vote against the amendment (60-25) was led by tobacco State senators who cited both the unfairness of the tax on low income smokers and reports from numerous scientists that the smoking and disease link remains unproven. They also argued that the dose-response relationship for tar and nicotine intake has not been medically defined. The amendment would have phased in over a 4-year period a differential tax that would eventually range from zero on the lowest "tar" and nicotine category to 50 cents per pack for the highest. The present Federal excise tax has been 8 cents per pack since 1952.

FTC-Cigarette Manufacturers Controversies

The Federal Trade Commission (FTC) is seeking copies of all market research documents, including advertisements from the six major cigarette manufacturers covering 1964-75. The FTC wants to examine the various promotional methods to try to assess how these activities influence smoking behavior. Cigarette companies so far have refused to comply, citing the tremendous volume of documents involved. They contend that this information is in the nature of a trade secret.

Last month, the FTC amended a pending suit against the six major manufacturers on another matter. The original action claimed the companies had failed to comply with a 1972 consent order requiring the display of the warning label and "tar" and nicotine content in all advertising. The added allegations relate to various aspects of the warning label layout in various ads.

Also, the annual statistical materials prepared by FTC on cigarette sales and advertising has

been delayed since six manufacturers have not filed the special report requested by FTC. For several years the FTC has prepared a statistical supplement to the annual report to Congress, required by the Public Health Smoking Act.

Large cigars: Taxable removals by revenue class, 1975-76

Revenue class and retail price	January-June		Change from 1975 [1]
	1975	1976	
	Billions	*Billions*	*Percent*
A-D (up to 8 cents)	1.54	1.39	-10.0
E (over 8 to 15 cents) ...	.88	.78	-10.6
F-G (over 15 cents)	.45	.48	+5.9
Total removals	2.87	2.65	-7.7

[1] Computed from unrounded data.

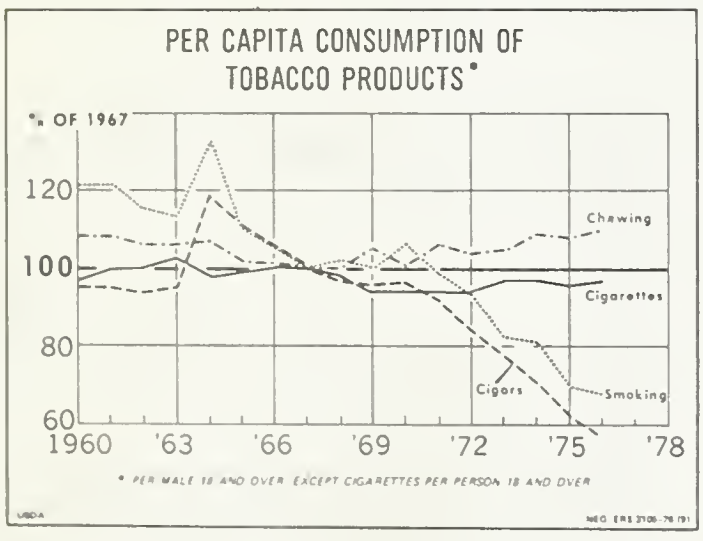
Demand Down for Large Cigars

Consumption of *large cigars* (including cigarillos) this year may drop 7 percent below the 1975 level of 5.8 billion cigars. Consumption has fallen steadily since the period of anti-cigarette publicity in the 1960's. The downtrend is expected to continue next year (table 4). The 1975 Public Health Service survey of tobacco use revealed that more than one-half of adult males had never smoked a cigar.

About 10 percent fewer cigars are being smoked this year, per male 18 and older, than 1975's average of 82 cigars. Midyear retail prices averaged 4 percent above year-ago levels. The upward volume trend continues for imported cigars. Both U.S. and Puerto Rican production has stabilized. Taxable removals (domestic consumption of cigars, by revenue class) though June of this year showed gains in the high-price categories and continued declines in the medium price (Class E) and in the lower price groups (Classes A-D).

The tax-revision bill approved in early September by the House-Senate Conference Committee would replace the present method of taxing large cigars (based on retail value). The tax bill bases the tax on wholesale value.

Small cigars (weighing not over 3 pounds per thousand) are falling in sales volume this year. For 1976, removals may decline one-fifth from 1975's 2.9 billion cigars. After the peak distribution in 1973 and the ban on radio and television ads, sales have dropped each year.



Smoking Tobacco Use May Stabilize

Smoking tobacco use for pipes and roll-your-own cigarettes this year is expected to remain near last year's record low of 53 million pounds (table 4). The long-term trend is downward.

Imports, coming mostly from Sweden and the Netherlands, account for about one-sixth of U.S. smoking tobacco consumption.

In the first half of this year, domestic use of smoking tobacco, including imports, totaled 27 million pounds, 1 percent above a year earlier. Declines were recorded in domestic tobacco but imports were up. By midyear, wholesale prices averaged 8 percent above year-ago levels. Since 1970, the decline in smoking tobacco use is associated with gains in cigarette consumption.

Chewing Tobacco Output Rising

Chewing tobacco production in 1976 may increase from the 80 million pounds of 1975 (table 5). For several years, loose leaf and fine-cut tobacco have been on the upswing while plug output has declined. About 5 percent of adult males chew, a share that has remained steady for over 10 years.

Snuff production is estimated about the same as last year but about a sixth below a decade ago. Wholesale snuff prices at midyear were 3 percent above year-earlier levels. Virtually all U.S. output of snuff and chewing tobacco is consumed domestically.

Table 4--Cigars and smoking tobacco: Output, removals, and consumption

Year and item	U.S. factories			From Puerto Rico: taxable	Imports	Exports	Total U.S. consumption 1/
	Output	Removals: Taxable	Removals: Tax-exempt				
	Millions						
Large cigars and cigarillos							
1967	6,858	6,846	197	1,099	30	76	8,096
1968	7,184	6,759	169	1,036	48	66	7,946
1969	6,931	6,739	169	1,080	45	65	7,968
1970	7,094	6,705	152	1,259	46	54	8,108
1971	6,707	6,506	131	1,222	48	46	7,861
1972	6,025	5,896	139	1,272	62	76	7,293
1973	5,655	5,554	143	1,304	75	107	6,969
1974	5,284	5,008	136	1,224	74	86	6,356
1975	4,523	4,915	125	1,216	79	2/88	5,808
1976 2/	4,100	4,100	135	1,260	85	110	5,300
	Year ending June 30 --						
1967	6,883	6,864	183	1,072	26	74	8,071
1968	7,234	6,868	192	1,114	38	77	8,135
1969	6,868	6,633	156	987	46	62	7,760
1970	7,108	6,755	165	1,186	47	58	8,095
1971	6,956	6,718	139	1,237	47	55	8,086
1972	6,353	6,217	145	1,274	53	65	7,624
1973	5,842	5,725	137	1,287	69	79	7,139
1974	5,296	5,184	133	1,281	72	108	6,562
1975	5,166	4,864	133	1,169	76	80	6,162
1976 3/	4,188	4,215	135	1,253	82	2/110	5,575
	Million pounds						
Smoking tobacco							
1967	64.8	62.7	2.0	---	3.7	1.3	67.1
1968	66.3	64.1	1.9	---	5.5	1.8	69.7
1969	63.9	62.6	1.6	---	5.7	1.1	68.8
1970	69.4	65.6	1.5	---	8.7	.9	74.6
1971	60.5	61.3	1.4	---	8.4	1.2	69.9
1972	55.9	55.1	1.3	---	11.9	1.1	67.2
1973	53.0	51.7	1.5	---	8.0	1.2	60.0
1974	49.0	49.0	1.0	---	10.9	.9	60.0
1975	46.2	44.5	1.0	---	8.7	1.6	52.6
1976 2/	45.0	43.0	1.0	---	9.5	1.0	52.5
	Year ending June 30 --						
1967	64.3	62.3	1.8	---	3.2	1.1	66.2
1968	66.9	64.6	1.9	---	4.6	1.3	69.8
1969	63.7	62.5	1.7	---	5.3	1.8	67.7
1970	67.2	64.2	1.6	---	7.0	.9	71.9
1971	67.0	64.8	1.5	---	8.7	1.1	73.9
1972	57.6	57.6	1.3	---	10.6	1.4	68.1
1973	52.1	52.9	1.4	---	9.8	1.2	62.9
1974	51.8	50.4	1.2	---	9.3	1.4	59.5
1975	48.7	47.5	1.1	---	9.6	1.6	56.6
1976 3/	45.9	43.8	.9	---	9.3	.9	53.1

1/ Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. 2/ Estimated. 3/ Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census, and AMS, USDA.

Table 5--Chewing tobacco, snuff, and small cigars: Output by category, 1963-76

Period	Chewing tobacco					Snuff	Small cigars 2/
	Plug	Twist	Fine-cut	Loose leaf	Total 1/		
	- - - - - Million pounds - - - - -						Millions
1963	24.9	2.9	3.3	34.2	65.4	31.8	281.4
1964	25.9	2.8	3.5	34.0	66.2	31.4	973.9
1965	24.7	2.8	3.7	33.9	65.1	29.7	440.7
1966	24.3	2.7	3.9	34.3	65.2	29.5	445.3
1967	23.7	2.6	4.1	34.0	64.4	29.3	434.2
1968	22.9	2.6	4.3	35.7	65.4	27.1	523.4
1969	23.3	2.5	4.5	39.5	69.8	27.6	720.2
1970	22.0	2.4	4.8	39.5	68.7	26.5	933.4
1971	20.6	2.4	5.1	43.3	71.4	26.4	1,135.4
1972	19.6	2.2	5.2	45.6	72.6	25.5	4,022.4
1973	18.6	2.1	5.7	47.6	74.0	25.3	4,415.0
1974	18.0	2.2	6.2	52.9	79.2	25.0	3,101.4
1975	18.1	2.2	7.3	52.2	80.0	24.4	2,942.3
1976 3/	17.7	2.3	8.0	53.5	81.5	24.4	2,300.0
	Year ending June 30 --						
1964	25.9	2.8	3.4	34.2	66.3	31.9	913.2
1965	25.1	2.8	3.6	33.4	64.9	30.3	437.7
1966	24.5	2.9	3.8	34.2	65.4	30.0	474.7
1967	24.2	2.6	4.0	34.2	65.0	29.1	420.6
1968	23.2	2.6	4.2	34.7	64.7	28.6	462.1
1969	22.8	2.5	4.0	36.9	66.2	27.2	631.6
1970	23.0	2.4	4.9	40.1	70.4	26.3	870.8
1971	21.6	2.4	4.9	41.5	70.4	27.1	911.7
1972	19.9	2.3	5.2	45.5	73.0	26.0	1,655.1
1973	18.4	2.2	5.4	46.0	72.0	25.3	5,580.4
1974	18.7	2.1	5.9	48.1	74.8	24.8	3,427.6
1975	17.9	2.2	6.7	54.6	81.6	24.7	3,158.2
1976 4/	17.6	2.3	7.8	55.1	82.8	24.6	2,512.7

1/ Detail may not add to total due to rounding.
2/ Weigh not more than 3 pounds per thousand.
3/ Estimated.
4/ Subject to revision.

Basic data compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and Agricultural Marketing Service, USDA.

Calendar 1976 Leaf Exports May Gain

U.S. exports of unmanufactured tobacco during January-July were 9 percent above last year since last winter's big movement to Japan was primarily in January. However, the prospective total for 1976 remains a tenth below 1974's high level. Overseas tax increases have slowed purchases from the United States. Also, foreign flue-cured production rose last year and may remain at that high level this year. In the second half of 1976, exports may equal last year's level if some of Japan's order can move before yearend. Therefore, leaf exports this calendar year are expected to total about 5 percent above the 1975's 563 million pounds (634 million, farm-sales weight) and also exceed the 1970-74 average of 570 million (642 million, farm-sales weight).

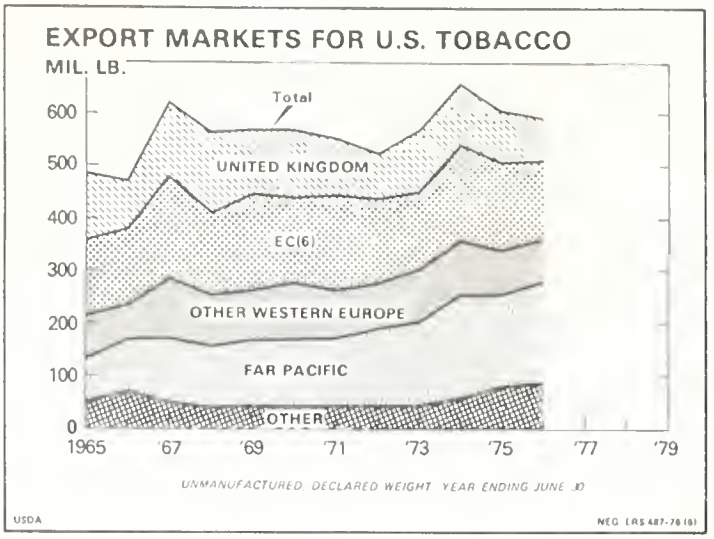
Several overseas manufacturers continued to decrease their stocks of U.S. tobacco in the past 12 months. The temporary slowdown in growth of cigarette sales and the shift away from U.S. tobacco in several European Community (EC) countries, including the United Kingdom, is holding down the demand for U.S. exports. Also, the U.S. crop is smaller so U.S. exports could gain from 1975's level in only a few destinations such as Japan and the Middle East.

For January-July 1976, gains occurred in most categories except flue-cured—the principal export class. Burley and the stems category accounted for most of the gain in tobacco exports (table 6). EC shipments were down but Japan and several other major destinations took more tobacco.

Fiscal 1976 Total Off

Larger foreign supplies and weaker demand brought U.S. unmanufactured tobacco exports for the year ending June 30, 1976, down 3 percent to 588 million pounds (652 million, farm-sales weight). Higher prices helped raise total value 5 percent to $901 million, a record fiscal year total. Flue-cured tobacco and the EC destinations largely accounted for the volume decline. Along with manufactured tobacco product exports for fiscal 1976 worth $482 million, the total value of tobacco and tobacco product exports reached a record $1.38 billion, 12 percent above the previous fiscal year.

Leaf exports to Western Europe dropped as takings by the EC declined again this past season. EC tax increases place our higher priced tobacco at a serious disadvantage. The unfavorable dollar conversion rate hurts our tobacco in the United Kingdom and Italy. Japan's big boost in purchases offsets declines to other Asian destinations.



Export credit sales for fiscal 1976 reached a record dollar value (second highest volume). Barter remains suspended. U.S. tobacco exports under Government-financed programs (Public Law 480) in 1975/76 totaled 10 million pounds, about the same level as the previous year. Egypt was the only destination. An outstanding contract with Syria calls for delivery of about 3 million pounds during August-September 1977. Contracts with Egypt are expected to continue for fiscal 1977 (table 7).

Tobacco: Government program exports to leading destinations, fiscal years 1974-76[1]

Country	1973-74	1974-75	1975-76[1]
	Million pounds	*Million pounds*	*Million pounds*
	Foreign currency sales		
South Vietnam	13.4	5.1	0
Cambodia	1.7	0	0
Thailand	7.0	0	0
Philippines	1.5	0	0
	Dollar credit		
Egypt	---	7.5	9.8
Israel	.4	0	0
	CCC credit sales		
Ireland	0	3.7	2.9
Malaysia	1.1	5.2	2.6
United Kingdom	0	15.6	20.2
Poland	0	2.4	2.2
Philippines	.1	3.9	8.6
Zaire	2.4	0	1.1

[1] Subject to revision.

Table 6—United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)

Country and type	Average 1969-72	Year ending June 30—			January-July		1976 as a percentage of 1975
		1974	1975	1976[1]	1975	1976[1]	
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Percent*
Flue-cured	403.3	448.9	414.7	390.6	201.1	197.6	98
Burley	48.2	67.7	56.8	72.2	35.9	46.9	131
Maryland	11.0	8.6	9.7	4.9	2.1	3.6	171
Fire-cured, Ky. and Tenn.	21.0	18.7	16.9	16.3	8.2	9.1	114
Virginia fire and sun-cured	4.1	5.5	4.4	3.4	1.4	1.5	107
Green River and One Sucker	.9	.6	.8	.3	.3	.3	100
Black Fat	2.5	2.7	3.2	3.2	2.1	1.6	76
Cigar wrapper	.2	2.1	3.9	3.8	2.7	2.1	78
Cigar binder	.4	.1	.2	.2	.1	.2	200
Cigar filler	.4	.6	.3	.4	.1	.3	200
Perique	.2	.2	.1	.2	.1	.1	100
Stems, trimmings and scrap	62.9	101.6	93.1	92.8	35.1	51.9	148
Total	555.3	657.4	604.0	588.2	289.2	315.1	109
Country of destination							
United Kingdom	107.7	116.5	87.9	79.4	23.8	25.3	105
France	9.5	6.4	9.7	8.1	5.4	3.8	70
Belgium	14.5	13.9	11.8	8.0	4.1	4.2	102
Netherlands	31.0	35.2	28.3	28.6	14.6	13.9	94
West Germany	98.2	103.1	94.8	71.7	54.5	34.1	62
Denmark	14.6	24.3	12.5	15.9	1.2	.3	27
Ireland	15.9	8.5	11.2	6.9	5.1	3.8	463
Switzerland	16.5	26.4	23.4	22.5	15.2	12.7	84
Finland	4.9	5.5	4.6	6.8	3.4	2.9	85
Norway	11.9	6.6	5.2	6.0	3.2	3.2	100
Sweden	18.0	15.6	14.0	16.4	4.0	5.1	127
Italy	9.1	25.3	32.9	30.7	30.7	29.9	97
Spain	12.1	6.4	8.4	5.2	6.2	1.9	30
Thailand	21.0	26.8	18.7	15.2	18.7	15.3	81
South Vietnam	10.8	13.2	5.1	0	1.9	0	---
Malaysia	9.0	13.5	7.5	7.1	4.0	3.6	90
Philippine Republic	19.7	13.9	6.6	14.8	5.9	7.5	127
Taiwan	9.2	20.8	18.9	11.2	12.3	7.6	62
Japan	41.2	88.7	103.0	123.0	35.3	76.8	217
Australia	14.3	19.6	12.0	16.2	4.1	5.0	122
New Zealand	3.9	5.9	4.4	4.7	3.1	2.8	90
Egypt	1.3	2.1	12.2	21.1	.5	11.1	222
Other countries	50.4	59.0	71.2	68.6	32.1	44.6	139
Total	555.3	657.4	604.0	588.2	289.2	315.1	109

[1] Preliminary.

Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Bulk Tobacco Exports Falter

Exports of smoking tobacco in bulk this year through July were substantially below a year ago and the calendar year total may fall 25 percent below the 18 million pounds of 1975. Iran is now the leading destination. Switzerland's cigarette output is down and it has sharply reduced takings. Bulk exports consist primarily of specially prepared cigarette leaf and cut or shredded tobacco from U.S. and foreign-grown sources. Bulk tobacco goes mostly to foreign cigarette factories of American based companies or their foreign licensees.

U.S. bulk smoking tobacco exports to leading destinations, 1975-76[1]

Country	Calendar year 1975	January-July	
		1975	1976
	Million pounds	*Million pounds*	*Million pounds*
Iran	0.4	(2)	2.0
Dominican Republic	2.7	1.5	1.0
Switzerland	5.3	4.5	1.5
Netherlands	.3	.3	(2)
Spain	1.7	1.1	1.3
Peru	.3	.2	(2)
Ecudor	.8	.6	.3
Finland	1.3	1.3	(2)
Australia	.5	.5	(2)
Other countries	4.2	3.2	2.3
Total	17.6	13.2	8.4

[1] Subject to revision. [2] Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

Export Prospects

The current world demand and price situation indicates that the United States will do well to maintain tobacco exports at around the 580-600 million pound level of the past 2 fiscal years. U.S. prices are rising and they remain above those of most competing suppliers. Supplies of foreign tobaccos are increasing while the supplies of U.S. tobacco normally purchased by exporters are reduced. Economic sanctions against Rhodesia that began in 1966 are continuing, but many other countries have stepped up production to fill the gap left by Rhodesia.

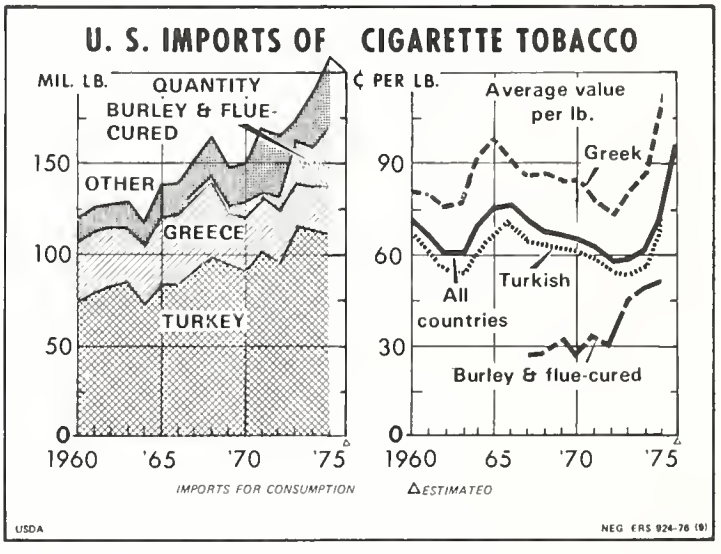
Beyond this year, the likelihood of a further rise in U.S. prices, prospects for larger crops from lower-cost overseas competitors, and further application of the trade-restricting features of the enlarged European Community, may limit U.S. exports. Also, overseas manufacturers are adopting various techniques which extend their tobacco supplies.

The growth in world cigarette consumption slowed to 2 percent last year as tax increases held down sales in several areas, particularly Japan and the EC. But technological changes in manufacturing, the trends toward filter cigarettes—84 percent in Western Europe and Japan by 1975—and minicigarettes, (shorter length and smaller diameters than regular size) mean that leaf requirements do not increase proportionately with cigarette consumption.

Last fiscal year the EC took almost 42 percent of U.S. tobacco exports. The tax features of the EC Common Agricultural Policy (CAP) discourage use of U.S. tobacco. Italy is the biggest EC tobacco producer, and rising prices have brought Italian burley output up to about twice the 1965-69 average. Under CAP provisions, the buyer's premiums provide a strong incentive for use of EC tobacco. In addition, export subsidies are available for surplus burley and Oriental tobacco.

Tobacco Imports Fall Back

U.S. unmanufactured tobacco imports for consumption during January-July 1976 were 189 million pounds, 6 percent below a year earlier (table-8). Most of the drop was cigarette leaf (oriental, flue-cured, and burley). For 1976 calendar year, imports of unmanufactured tobacco probably will fall slightly from last year's record high 320 million pounds.



U.S. cigar and cigarette manufacturers use imported tobacco in their blends. Last fiscal year, U.S. cigarettes contained about 20 percent imported tobacco and cigars contained about 70 percent.

U.S. cigarette leaf tobacco imports in 1975/76 were valued at 85 cents per pound, exclusive of

Table 7 --Exports of unmanufactured tobacco under Government-financed programs and commercial sales, average 1955-59, annual 1960-76, fiscal years

Year ending June 30	Government-financed exports				Commercial exports				Total unmanufactured tobacco exports
	Title I, P.L. 480		Mutual Security and A.I.D.	Total	Barter 1/	Dollar sales		Total	
	Foreign currency sales	Long-term dollar credit sales				CCC short term credit	Other		
	Quantity (export weight)								
	Million pounds								
Average: 1955-59	42.4	---	6.4	48.8	0.4	---	447.9	448.3	497.1
1960	41.9	---	23.2	65.1	29.4	---	362.1	391.5	456.6
1961	40.2	---	20.0	60.2	40.4	---	403.6	444.0	504.2
1962	26.1	---	2.8	28.9	77.4	---	413.7	491.1	520.0
1963	28.7	1.2	---	29.9	18.1	---	425.3	443.4	473.3
1964	35.5	3.8	.6	39.9	15.4	1.0	475.8	492.2	532.1
1965	21.2	4.5	5.1	30.8	18.8	.3	434.1	453.2	484.0
1966	43.2	1.3	5.8	50.3	76.9	---	345.0	421.9	472.2
1967	21.1	5.5	3.0	29.6	106.3	17.9	472.8	597.0	626.6
1968	22.9	10.9	.6	34.4	82.0	16.6	431.7	530.3	564.7
1969	19.9	16.9	.1	36.9	90.5	12.4	431.7	534.6	571.5
1970	10.6	11.1	---	21.7	132.0	48.1	369.2	549.3	571.0
1971	19.6	2.9	---	22.5	149.0	70.9	312.3	532.2	554.7
1972	21.0	2.0	---	23.0	176.8	40.6	283.8	501.2	524.2
1973	24.8	1.2	---	26.0	170.0	31.5	341.6	543.1	569.1
1974	24.2	.4	---	24.6	51.2	3.6	578.4	633.2	657.5
1975	7.5	5.1	---	12.6	.2	42.3	548.9	591.4	604.0
1976 2/	---	9.8	---	9.8	---	51.3	527.1	578.4	588.2
	Value								
	Million dollars								
Average: 1955-59	30.4	---	3.3	33.7	.3	---	309.8	310.1	343.8
1960	30.8	---	18.4	49.2	19.6	---	273.1	292.7	341.9
1961	29.4	---	16.5	45.9	25.1	---	314.2	339.3	385.2
1962	19.6	---	1.8	21.4	46.3	---	339.8	386.1	407.5
1963	22.5	1.6	---	24.1	12.4	---	341.9	354.3	378.4
1964	23.8	2.9	.8	27.5	8.5	0.7	384.0	393.2	420.7
1965	14.9	4.6	2.8	22.3	13.1	.2	359.7	373.0	395.3
1966	29.9	.7	4.4	35.2	54.9	---	304.6	359.5	394.7
1967	15.6	4.0	2.4	22.0	84.6	15.9	427.2	527.7	549.7
1968	21.4	8.7	.6	30.7	75.3	14.1	373.6	463.0	493.7
1969	16.8	15.3	.1	32.2	91.5	11.7	371.5	474.7	506.9
1970	11.2	9.9	---	21.1	140.0	47.7	330.8	518.5	539.6
1971	19.1	2.7	---	21.8	162.0	76.6	276.6	515.2	537.0
1972	21.0	2.3	---	23.3	200.7	41.9	265.5	508.1	531.4
1973	27.3	1.3	---	28.6	205.0	34.3	346.0	585.3	613.9
1974	29.8	.4	---	30.2	62.0	3.3	674.8	740.1	769.9
1975	9.5	7.0	---	16.5	.2	61.6	782.8	844.6	861.1
1976 2/	---	15.8	---	15.8	---	81.0	803.7	884.7	900.5

1/ Government-financed for strategic materials, 1958-62.

2/ Subject to revision.

ocean freight and duties. On most cigarette leaf imports, a duty of 11½ cents per pound must be paid, yet imports still offer domestic manufacturers a considerable price advantage. Scrap tobacco is dutiable at 16.1 cents per pound.

January-July 1976 arrivals of tobacco (general imports) were 28 million pounds less than a year earlier. Stocks of foreign-grown cigarette and smoking tobacco in the United States dropped slightly in the second quarter of 1976. On July 1, 1976, these stocks totaled 619 million pounds (farm-sales weight), 1 percent below the previous July 1.

U.S. unmanufactured tobacco imports for consumption decreased 3 percent in the year that ended June 30, 1976. Average value per pound increased (table 9). The decline in imports was in cigarette leaf and scrap tobacco. Turkey and Greece remained the largest suppliers of cigarette tobacco. The Philippines remained the largest source of scrap tobacco during 1975/76.

Arrivals of virtually all categories of cigar and cigarette leaf decreased sharply this past fiscal year since manufacturers had built stocks to adequate levels in relation to expected use.

TOBACCO LEAF SITUATION AND OUTLOOK[1]

This past marketing year about 90 percent of the U.S. tobacco crop was bought for domestic and export use and about a tenth was added to loan stocks. Actual disappearance of U.S. leaf stayed just under 2 billion pounds. With decreased quotas and allotments, this year's U.S. production of all tobacco is forecast at 2 billion pounds, the second largest crop since 1964. So carryover stocks may not change much from 1976/77 carryin.

In the United States as well as overseas, most tobacco is used in cigarettes. With tobacco the most costly input, U.S. manufacturers have adopted measures to economize on leaf use and minimize leaf cost per cigarette. Various manufacturing techniques and increasing use of filters have substantially reduced the traditional taste, flavor, and aroma advantages of U.S. tobacco. As labor and other production costs accelerate, U.S. tobacco faces stiff competition. Also, tariff and non-tariff barriers of many governments hinder U.S. tobacco exports. The increase in leaf production overseas may reduce utilization of U.S. leaf abroad in the years ahead.

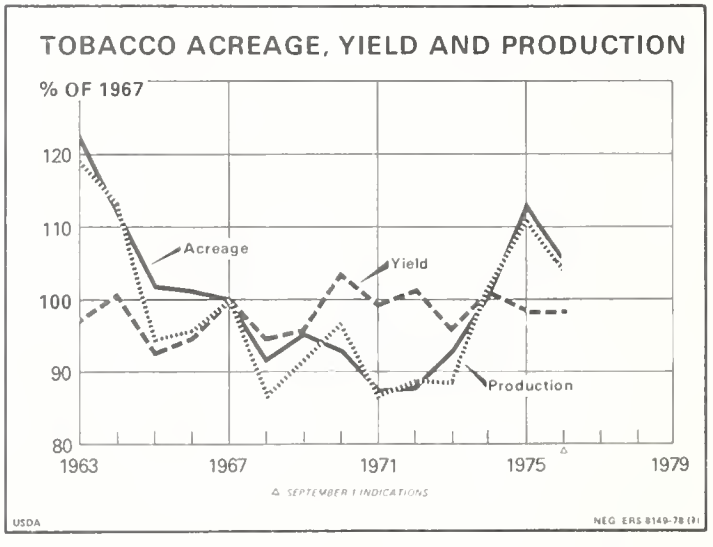
All tobacco: Acreage, yield and production, United States, 1960-76

Year	Acreage harvested	Yield per acre	Production
	Thousand acres	*Pounds*	*Million pounds*
Average:			
1960-64	1,159	1,880	2,178
1965-69	942	1,958	1,845
1970	899	2,121	1,908
1971	838	2,035	1,705
1972	842	2,076	1,749
1973	887	1,965	1,743
1974	963	2,067	1,990
1975	1,086	2,009	2,182
1976[1]	1,022	1,991	2,035

[1] Indicated September 1, 1976.

1977 Marketing Quotas and Referendums to be Announced

USDA announced in September that the size of the flue-cured marketing quota for 1977 was being considered. USDA will hold meetings at Douglas, Ga., October 19, and in Raleigh, N.C., October 20, to discuss the size of the quota and related matters. USDA will receive written comments postmarked by October 29. By December 1, USDA will proclaim the 1977 flue-cured marketing quota on an acreage-poundage basis, the national average yield goal, and the matching national acreage allotment. Then within 30 days of the announcement, flue-cured growers will vote whether to continue acreage-poundage quotas for another 3 years. Individual farm quotas and matching acreage allotments for next year's flue-cured crop will reflect this year's overmarketings and undermarketings. This year's flue-cured crop is falling short of the



[1] All quantities in this section are stated in farm-sales weight equivalent unless otherwise noted.

Table 8--U.S. imports of unmanufactured tobacco for consumption and general, principal categories and countries of origin, fiscal year, and January-July 1975-76 1/

(Declared weight)

Classification and country of origin	Imports for consumption				General imports (arrivals)			
	Year, July-June 1976	January-July 1/		1976 as a percentage of 1975	Year, July-June 1976	January-July 1/		1976 as a percentage of 1975
		1975	1976			1975	1976	
	- - Million pounds - -			Percent	- - Million pounds - -			Percent
Cigarette tobacco:								
Leaf, unstemmed								
Oriental								
Turkey	103.4	67.1	56.6	84	102.1	63.5	94.8	149
Greece	21.5	17.5	11.7	67	13.0	18.8	12.1	64
Yugoslavia	15.0	8.5	9.8	115	15.0	15.6	17.3	111
Lebanon	9.5	5.8	6.1	105	1.7	10.9	0	---
Other countries	24.7	6.0	16.1	268	49.6	31.2	30.2	97
Flue-cured and burley	30.9	30.5	24.5	80	54.7	58.7	30.7	52
Subtotal	205.0	134.4	124.8	93	236.1	198.7	185.1	93
Scrap								
Turkey	5.5	3.6	3.1	86	4.2	8.5	4.0	47
Other countries 2/	21.2	12.2	12.9	106	25.0	13.1	12.3	94
Total cigar tobacco	231.7	150.2	140.8	94	261.0	220.3	201.4	91
Cigar tobacco:								
Wrapper	1.5	.8	.9	112	2.4	1.1	1.5	136
Filler-stemmed and unstemmed								
Dominican Republic	2.0	1.4	1.4	100	6.5	9.5	3.5	37
Other countries	9.4	8.3	4.5	42	29.3	13.8	10.7	78
Subtotal	11.4	9.7	5.9	60	35.8	23.3	14.2	61
Scrap								
Philippine Republic	16.3	7.5	9.9	132	16.0	10.7	9.6	90
Columbia	3.9	3.2	1.7	53	1.9	1.9	1.5	79
Dominican Republic	8.2	5.6	4.3	75	1.2	1.6	.9	56
Brazil	12.9	5.9	8.7	147	6.1	11.5	4.6	307
Other countries	23.5	12.7	10.9	86	16.4	18.7	7.6	41
Subtotal	64.8	34.9	35.6	102	58.9	34.4	29.2	70
Total cigar tobacco	66.9	45.4	42.4	93	60.8	58.8	39.9	68
Stems	9.2	6.0	6.3	105	9.3	6.2	6.3	102
Grand total	313.3	201.5	189.5	94	348.6	285.3	247.7	87

1/ Preliminary.
2/ Canada, Greece, Cyprus, Lebanon, India, Korea, Angola, Mozabique, Malawi, and Mexico.
Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Title 9--U.S. imports of unmanufactured tobacco: Quantity and average value, by kinds, 1975-76

Kind	Quantity		Value per pound	
	Year ending June 30, 1976	Change from 1974-75	Year ending June 30, 1976	Change from 1974-75
	- - - Million pounds - - -		- - - Cents - - -	
	Imports for consumption			
Cigarette				
Oriental leaf	174.1	+4.0	88.0	+16.1
Flue-cured and burley leaf	30.9	-11.4	64.7	+15.8
Scrap 1/	26.7	-6.1	69.3	+12.2
Cigar				
Leaf	10.9	-4.6	169.7	+57.0
Scrap	61.5	+6.5	55.4	+3.7
Stems	9.2	+2.8	17.9	+2.8
Total	313.3	-9.1	78.2	+13.3
	General imports			
Cigarette				
Oriental leaf	186.2	-15.3	143.8	+45.4
Flue-cured and burley leaf	54.7	-27.2	64.2	+3.4
Scrap 1/	24.9	-18.7	81.9	+4.5
Cigar				
Wrapper	2.4	+.4	379.2	-17.5
Filler	29.4	-13.8	67.3	+4.7
Scrap	41.8	-9.5	58.1	-2.1
Stems	9.3	+2.7	17.7	+3.0
Total	348.7	-81.5	108.5	+22.5

1/ Turkey, Canada, Greece, Cyprus, Lebanon, India, Korea, Mexico, Yugoslavia, Syria, Thailand, Angola, Mozambique, Zambia, and Malawi.

Compiled from publications and records of the Bureau of the Census.

Table 10--U.S. tobacco allotments, by kinds of tobacco, 1976

Kinds	Allotments	Acreage allotted	Poundage allotted	Average size of allotment
	Number	Acres	Million pounds	Acres
Flue-cured (11-14) 1/	192,610	2/755,387	1,409	3/7,315
Burley (31) 4/	295,516	---	726	3/2,457
Va. fire-cured	5,254	11,211	---	2.13
Ky.-Tenn. fire-cured (22-23)	14,978	32,731	---	2.19
Dark air-cured (35-36)	19,867	11,970	---	.60
Va. sun-cured (37)	891	1,626	---	1.82
Cigar binder (51-52)	---	2/	---	---
Cigar filler and binder (42-44, 53-55)	5,724	19,491	---	3.41
Total	534,840	832,416	2,135	---

1/ Acreage poundage with national average yield goal of 1,854 pounds per acre. 2/ Acreage allotments terminated. 3/ Pounds. 4/ Poundage quota.

Compiled from records of the Tobacco and Peanut Division, ASCS, USDA.

Table 11—Tobacco: Commodity Credit Corporation price support loan and program operations, 1974-76

Item	Year ending June 30—		
	1974	1975	1976
	Million dollars	*Million dollars*	*Million dollars*
	Loan operations		
New loans made	37.6	30.1	315.8
Repayments	269.1	161.0	81.7
Charged off	([1])	.2	([1])
Net additions (deductions)	(231.5)	(131.1)	234.1
Loans outstanding:			
Value	249.6	118.5	352.6
Quantity (mil. lbs.)	393	193	338
	Program operations		
Export payments	13.7	3.1	.8
Public Law 480 sales:			
Dollar credit	30.9	17.7	15.0
Short term credit sales	3.3	61.6	81.0
Recovery of costs[2]	25.0	129.3	70.0
Total costs[3]	22.9	[4]46.7	26.8

[1] Less than $50,000. [2] Estimated. [3] Includes loan operations charged off. [4] Gain. Data for 1950-71 in *Tobacco Situation*, TS-141, Sept. 1972, p. 37.

Compiled from Commodity Credit Corporation, *Report of Financial Conditions and Operations*, various issues.

effective quota, so next year's effective quota will again exceed the basic quota (table 14). Acreage-poundage controls have been in effect since 1965. The program was overwhelmingly approved in the last vote in July 1973.

Legislation authorizing emergency lease and transfer of allotments or quotas for 1976 in certain disaster areas of South Carolina and Georgia has been approved by Congress.

By next February 1, USDA will announce the 1977 poundage quota for burley and acreage allotments for other kinds of tobacco under quota. Shortly after the announcement, growers of burley and Virginia-sun-cured types will vote in referendums for or against marketing quotas on their next three crops. Producers of fire-cured, dark air-cured, cigar binder, and Ohio filler, approved marketing quotas applicable to the 1977 crop in previous referendums.

Maryland and Pennsylvania tobacco growers turned down marketing quotas in the last referendum (1974) so government price support is not available for their 1976 crops. In accordance with the law, growers of these two kinds will vote in referendums in early 1977 on whether they favor or oppose marketing quotas on their next three crops. Pennsylvania filler has never had marketing quotas. For Maryland, a quota last applied to the 1965 crop. In Puerto Rico, the Commonwealth Government for many years has set filler tobacco quotas. Shade-grown wrapper (types 61-62) grown in Connecticut, Massachusetts, Georgia, and Florida is not covered by marketing quota legislation.

Price Support Levels

For eligible 1977 tobacco crops, the overall price support seems likely to rise about 7 percent above the 1976 levels. This estimate is based on indicated changes in the parity index. As required by law, the price support adjustment for 1977 will be based on the average of the parity index in 1974, 1975, and 1976 compared with 1959. For 1976, price supports increased 13.7 percent. The 1977 computation will include the revised index numbers published beginning in May 1976 by USDA's Statistical Reporting Service. Using 1971-73 survey data for quantity weights, SRS reported the prices paid index for January-April 1976 about 1 percent lower than those previously published, which used 1955 data.

FLUE-CURED

Higher Auction Prices

The 1976 marketing season got underway on July 8 with sales in the Georgia-Florida (type 14) markets, July 13 in South Carolina-North Carolina border (type 13) markets, and a week later in Eastern North Carolina (type 12). Opening was July 27 for N.C. Old and Middle Belts (type 11) and a week later for Virginia. The type 14 opening date was the same as last year but sales opportunity was shifted to type 14 where more tobacco was ready. Early sales, consisting largely of primings and nondescript tobacco of lower quality than last year, returned growers about 5 cents per pound more than last year. This largely reflected the rise in support rates for those grades. For the first 6 weeks of sales, 27 percent of sales went under loan.

At auction markets this season through September 9, flue-cured tobacco (types 11-14) averaged $1.07 per pound, 12 cents above the same period last season (table 13). Most grade averages were higher than last season with better leaf grades up 10 cents or more per pound. About 55 percent of the crop had been sold by September 9—compared with 49 percent a year earlier.

Loan Receipts Start High

The price support level for the 1976 flue-cured crop averages $1.06 per pound. With the crop above probable disappearance, loan receipts through September 9 were 135 million pounds—about 18 percent of marketings. In the comparable period of the 1975 season, 28 percent went under loan.

To receive price support, flue-cured growers must certify they did not use DDT, endrin, toxaphene, or

Table 12--United States exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1973/74-1975/76

(Declared weight)

Importing countries	1973/74	1974/75	1975/76 2/	Importing countries	1973/74	1974/75	1975/76 2/
	Million pounds				Thousand pounds		
	Flue-cured, types 11-14				Va. fire & sun-cured, types 21 & 37		
United Kingdom	91.1	69.0	57.0	Switzerland	254	727	43
West Germany	75.8	71.1	55.9	Norway	1,240	1,801	1,015
Japan	61.7	71.4	84.4	Sweden	242	508	391
Netherlands	17.0	14.4	15.5	West Germany	965	655	399
Thailand	23.7	15.7	12.5	Other countries	1,112	576	657
Australia	14.2	8.7	12.1	Total	3,813	4,267	2,505
Italy	13.5	22.0	14.6				
Sweden	8.1	5.8	9.1				
Norway	4.3	3.4	3.8		One Sucker, type 35		
Finland	2.9	2.8	4.6				
Denmark	13.8	7.7	10.7	Belgium-Luxembourg	218	86	66
Ireland	6.8	7.7	4.1	Zaire	102	36	142
Belgium-Luxembourg	10.7	7.6	4.8	Other countries	380	40	0
Switzerland	10.7	11.9	13.3	Total	700	162	208
South Vietnam	10.2	4.0	0				
Philippines	6.6	4.0	6.6				
Spain	5.7	7.7	4.9		Green River, type 36		
Malaysia	11.0	6.1	5.9				
Taiwan	20.7	17.8	11.2	United Kingdom	108	87	16
Egypt	2.0	11.1	17.0	Belgium-Luxembourg	1	1	0
Other countries	38.4	44.8	42.6	Zaire	74	30	79
Total	448.9	414.7	390.6	Other countries	0	106	0
				Total	183	224	95
	Burley, type 31						
					Cigar Filler, types 41-44		
Italy	10.4	10.5	14.0				
Sweden	3.8	2.6	1.7	New Zealand	304	19	0
Denmark	2.0	1.5	1.8	France	300	193	224
Netherlands	2.9	1.9	1.8	Other countries	74	35	63
Japan	6.3	6.9	8.3	Total	678	247	287
West Germany	15.0	8.5	7.8				
Switzerland	3.6	1.5	2.6				
Syria	1.0	1.7	2.9		Conn. Binder, types 51-52		
Thailand	2.9	3.0	2.7				
Philippines	6.3	4.7	6.4	West Germany	2	15	0
Other countries	13.1	10.4	12.1	United Kingdom	0	36	0
Total	67.3	53.2	62.1	Canada	7	58	18
				Other countries	109	75	115
	Maryland, type 32			Total	118	184	133
					Wis. Binder, types 54-55		
Belgium-Luxembourg	.8	1.5	1.1				
West Germany	2.4	1.2	1.0				
Switzerland	4.4	2.9	2.0	Dominican Republic	0	0	68
Other countries	1.8	.8	.5	Other countries	0	1	7
Total	9.4	6.4	4.6	Total	0	1	75
	Ky.-Tenn. fire-cured, types 22-23				Cigar Wrapper, types 61-62		
Sweden	.3	.5	.3	United Kingdom	549	713	831
Netherlands	13.9	6.7	7.2	West Germany	482	392	211
Belgium-Luxembourg	.7	.7	.3	Canada	312	185	227
France	1.7	2.6	2.7	Dominican Republic	267	1,538	1,520
Switzerland	1.6	.9	.7	Netherlands	52	131	268
Other countries	3.2	.6	2.7	Other countries	465	929	717
Total	21.4	12.0	13.9	Total	2,127	3,888	3,774
	Stems, Trimmings, and Scrap				Black Fat		
Sweden	4.4	4.1	3.7	Dahomey	1,482	1,692	811
Denmark	7.1	2.6	2.8	Cameroon	483	541	509
United Kingdom	23.6	18.3	20.7	Niger	326	451	248
West Germany	8.9	6.2	4.3	Nigeria	131	232	477
Japan	20.7	24.7	30.2	Togo	241	355	311
Other countries	36.9	37.1	31.1	Other countries	83	148	98
Total	101.6	93.0	92.8	Total	2,746	3,419	2,454

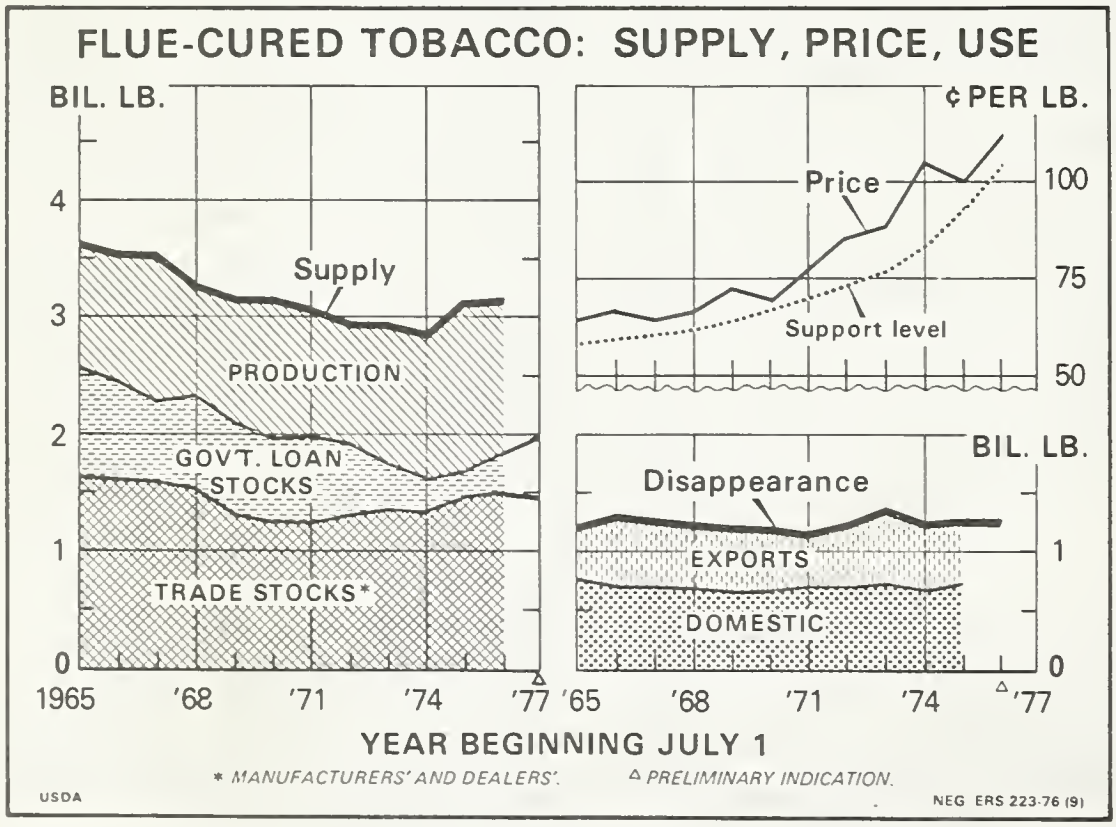
1/ July-June crop year for fluc-cured, cigar wrapper, stems, trimmings, and scrap; October-September crop for all other types except October-July for 1975/76. 2/ Subject to revision. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Table 13--Flue-cured tobacco auction markets: Gross sales, average price, sales dates, through Sept. 16, 1975, and Sept. 14, 1976

Type and State	Gross sales		Average price per pound		Sales period	
	1975	1976	1975	1976	Opening date 1976 (1975)	Closing date 1976 (1975)
	Million pounds		Cents			
14, Ga.-Fla.	151.4	162.8	99.7	110.2	July 8 (July 8)	Sept. 9 (Oct. 2)
13, S.C.-Border N.C.	205.4	184.7	96.5	109.0	July 13 (July 9)	(Nov. 5)
12, Eastern N.C.	241.6	243.2	96.2	109.4	July 20 (July 15)	(Nov. 26)
11, Old and Middle Belts N.C., Va.	161.6	190.5	92.7	103.5	July 20 (July 15)	(Nov. 25)
All Belts 1/	759.9	781.2	96.3	108.0	July 8 (July 8)	(Nov. 26)

1/ Computed from unrounded data.



TDE pesticides and designate one or more warehouses for selling their crop within 100 miles of their county seat. Under quota legislation, growers receive price support on marketings up to 110 percent of their farm poundage quota. Marketings above a farm's poundage quota are deducted from the following year's quota. For marketings above 110 percent of the farm quotas, growers must pay a penalty of 75 cents per pound (75 percent of the average market price for the preceding year).

Growers who undermarket their quotas in 1976 will have their 1977 quotas increased accordingly. For flue-cured this year, there will be more undermarketings than overmarketings, as has been the case in 8 of the previous 10 years (table 14).

Disappearance About Steady

During the year ended last June 30, disappearance of flue-cured tobacco was 1,193 million pounds, 1 percent below the previous year's level (table 15). Exports were down but domestic use was up. Both categories remain close to the average for the previous 10 years.

The 3-percent gain in domestic disappearance relates to the 9-percent increase in cigarette output during the same period. During the 1950's and 1960's use of flue-cured tobacco per cigarette declined about 3 percent annually. Domestic disappearance during 1976/77 is likely to stay about the same because of more modest gains in cigarette output.

U.S. flue-cured tobacco exports: Percentage stemmed form of total

(unstemmed equivalent basis)

Year ending June 30	Destination		
	United Kingdon	Other countries	All countries
	Percent	*Percent*	*Percent*
1962	17.3	6.3	10.1
1964	46.8	10.6	22.6
1966	89.3	12.6	33.0
1968	94.9	21.0	45.0
1970	95.2	42.5	58.2
1972	95.3	55.3	63.4
1974	99.1	61.7	69.9
1975	98.9	60.1	67.1
1976	99.4	66.1	71.3

Flue-cured exports declined from last season as competing foreign tobaccos were in more ample supply and relatively less costly. Trade with Rhodesia (formerly the largest exporter of flue-cured tobacco after the United States) remains dampened due to U.N. sanctions and production limits within Rhodesia.

Among leading destinations, Japan, Egypt, Australia, Sweden and the Philippines purchased more

Table 14—Flue-cured and burley tobacco: Marketing quota and marketings, 1965-76

Year	Quota		Marketings				Net Carryover[2]
	Basic	Effective	Actual	Over-quota	Under-quota	Effective under quota[1]	
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
			Flue-cured, types 11-14				
1965	1,126.0	1,124.4	1,055.5	27.1	96.0	91.2	64.0
1966	1,135.0	1,199.0	1,107.9	35.0	126.1	111.1	76.1
1967	1,126.3	1,202.4	1,247.5	77.9	30.8	18.4	-59.5
1968	1,127.5	1,067.9	996.4	26.5	96.6	86.1	59.6
1969	1,127.4	1,187.0	1,052.1	26.6	157.9	145.9	119.3
1970	1,071.5	1,190.8	1,178.2	65.1	71.2	63.4	-1.7
1971	1,071.6	1,069.9	1,076.3	60.4	49.9	45.8	-14.5
1972	1,071.2	1,056.7	1,022.1	41.2	72.9	68.1	26.8
1973	1,178.7	1,205.6	1,159.0	54.8	100.5	95.3	40.5
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1					
			Burley, type 31				
1971	555.1	553.0	471.5	9.7	91.1	89.7	80.1
1972	531.5	611.5	588.6	30.7	45.7	44.6	13.9
1973	559.7	573.6	460.7	11.3	113.1	111.7	100.3
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	[3] 726.4					

[1] Under quota marketing less ineligible carryover. [2] Effective under quota marketings less over quota marketings. [3] Subject to revision.

Compiled from records and reports of Tobacco and Peanut Division, ASCS.

Table 15—Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1966-76

(Farm-sales weight)

Marketing year	Acreage harvested	Yield per acre	Production	Beginning stocks[1]			Total supply
				Manufacturers and other	Under loan	Total	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
				Flue-cured, types 11-14			
1966	607.0	1,825	1,107.9	1,602.5	836.4	2,438.9	3,546.8
1967	610.3	2,070	[2] 1,250.0	1,587.1	685.4	2,272.5	3,522.5
1968	533.0	1,841	[2] 995.6	1,528.1	773.4	2,301.5	3,297.1
1969	576.8	1,825	1,052.8	1,299.6	800.5	2,100.1	3,152.9
1970	584.1	2,042	[2] 1,178.1	1,227.5	744.9	1,972.4	3,150.5
1971	525.8	2,050	[2] 1,076.3	1,214.5	761.9	1,976.4	3,052.7
1972	513.6	1,971	[2] 1,022.1	1,292.4	617.8	1,910.2	2,932.3
1973	575.1	2,011	[2] 1,159.0	1,347.0	402.3	1,749.3	2,908.3
1974	616.3	2,014	[2] 1,245.1	1,330.6	276.7	1,607.3	2,852.4
1975	717.2	1,973	[2] 1,414.7	1,471.9	179.9	1,651.8	3,066.5
1976[3]	655.1	1,947	1,275.4	1,514.3	359.2	1,873.5	3,148.9
				Burley, type 31			
1966	240.7	2,437	586.7	1,133.4	261.9	1,395.3	1,982.0
1967	237.7	2,274	540.6	1,104.8	276.7	1,381.5	1,922.1
1968	237.6	2,372	563.4	1,002.4	321.7	1,324.1	1,887.5
1969	237.7	2,488	591.4	975.7	340.8	1,316.5	1,907.9
1970	216.4	2,590	560.5	887.9	454.8	1,342.7	1,903.2
1971	213.5	2,213	472.6	882.4	468.4	1,345.8	1,818.4
1972	235.6	2,552	[2] 590.3	920.9	327.6	1,248.5	1,838.8
1973	222.1	2,028	[2] 461.4	952.5	276.7	1,229.2	1,690.6
1974	260.7	2,350	[2] 610.4	931.5	139.2	1,070.7	1,681.1
1975	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7
1976[3]	279.1	2,241	625.5	1,086.7	36.0	1,122.7	1,748.2

Marketing year	Disappearance			Average price per pound	Price support level	Placed under Government loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds	*Million pounds*	*Million pounds*	*Cents*	*Cents*	*Million pounds*	*Percent*
				Flue-cured, types 11-14			
1966	1,274.3	687.2	587.1	66.9	58.8	74.6	6.8
1967	1,221.0	687.7	533.3	64.2	59.9	282.1	22.6
1968	1,197.0	671.7	525.3	66.6	61.6	128.8	12.9
1969	1,180.5	645.9	534.6	72.4	63.8	97.6	9.3
1970	1,174.1	640.1	534.0	72.0	66.6	144.2	12.2
1971	1,142.5	662.5	480.0	77.2	69.4	55.7	5.2
1972	1,183.0	664.2	518.8	85.3	72.7	24.3	2.4
1973	1,301.0	703.0	598.0	88.1	76.6	30.7	2.7
1974	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9
1975	1,193.2	670.7	522.5	99.8	93.2	259.0	18.4
1976					106.0		
				Burley, type 31			
1966	600.5	544.1	56.4	66.9	60.6	62.5	10.6
1967	598.0	544.6	53.4	71.8	61.8	64.2	11.9
1968	571.0	516.1	54.9	73.7	63.5	56.2	10.0
1969	565.2	507.1	58.1	69.6	65.8	158.2	26.8
1970	557.4	503.0	54.4	72.2	68.6	47.7	8.5
1971	569.9	515.2	54.7	80.9	71.5	.2	---
1972	609.6	534.5	75.1	79.2	74.9	22.9	3.9
1973	619.0	533.1	86.8	92.9	78.9	.7	.1
1974	586.7	518.8	67.9	113.7	85.8	2.8	.4
1975	[4] 610.0	[4] 520.0	[4] 90.0	105.6	96.1	50.7	7.9
1976					109.2		

[1] July 1 for flue-cured; October 1 for burley. [2] Sales. [3] Based on September 1 crop prospects. [4] Estimated.

Table 16--Flue-cured and burley tobacco: Stocks and stocks utilization ratios, manufacturers and dealers, 1952-76

(Farm-sales weight)

Marketing year	Flue-cured				Burley			
	Domestic manufacturers		Dealers		Domestic manufacturers		Dealers	
	Beginning stocks 1/	Stocks usings ratio	Beginning stocks 1/	Stocks exports ratio	Beginning stocks 2/	Stocks usings ratio	Beginning stocks 2/	Stocks exports ratio
	Million pounds	Number	Million pounds	Number	Million pounds	Number	Million pounds	Number
1952	1,364	1.65	185	0.44	899	1.73	39	1.34
1953	1,400	1.80	214	.50	918	1.86	48	1.37
1954	1,447	1.94	189	.44	920	1.90	51	1.55
1955	1,485	2.04	242	.44	867	1.79	48	1.41
1956	1,577	2.24	225	.48	884	1.83	38	1.36
1957	1,594	2.16	274	.62	980	2.05	36	1.29
1958	1,406	1.91	286	.65	958	1.98	40	1.14
1959	1,328	1.73	242	.58	952	1.91	29	.81
1960	1,286	1.62	263	.55	1,048	2.06	53	1.29
1961	1,337	1.71	247	.51	989	1.88	50	1.11
1962	1,467	1.89	237	.55	1,049	1.98	55	1.04
1963	1,478	1.92	307	.62	1,044	2.03	90	1.58
1964	1,406	1.81	283	.64	1,060	1.89	87	1.55
1965	1,363	1.81	274	.65	1,023	1.86	76	1.33
1966	1,349	1.96	253	.43	1,065	1.96	68	1.21
1967	1,306	1.90	281	.53	1,038	1.90	67	1.26
1968	1,258	1.87	271	.52	966	1.87	36	.65
1969	1,081	1.67	219	.41	942	1.86	34	.59
1970	1,014	1.58	214	.40	858	1.71	30	.56
1971	1,010	1.52	204	.43	854	1.66	28	.51
1972	1,087	1.64	206	.40	888	1.66	33	.44
1973	1,154	1.64	193	.32	920	1.73	32	.37
1974	1,154	1.77	176	.32	900	1.53	31	.46
1975	1,259	1.88	213	.41	1,032	3/1.68	51	3/.57
1976	1,338		176		3/1,077		3/45	

1/ July 1.

2/ October 1.

3/ Estimated.

Lease and transfer of allotments and quotas

Year	Flue-cured		Burley
	Thousand acres	*Million pounds*	*Million pounds*
1963	33.1	---	---
1964	41.8	---	---
1965	54.7	---	---
1966	80.1	138.0	---
1967	97.2	167.6	---
1968	122.9	214.6	---
1969	131.8	230.3	---
1970	146.3	255.1	---
1971	166.3	289.4	15.6
1972	182.9	322.1	50.4
1973	192.9	363.1	33.5
1974	234.1	416.1	81.6
1975	248.9	474.8	82.0
1976[1]	240.8	424.0	57.3

[1] Preliminary.

Compiled from records of Tobacco and Peanut Division, ASCS.

Tobacco loan stocks, 1974-76

(Farm-sales weight)

Type	End of August		
	1974	1975	1976
	Million pounds	*Million pounds*	*Million pounds*
Flue-cured, 11-14	294.0	145.2	
Uncommitted	142.4	99.7	334.5
Burley, 31	146.9	40.6	
Uncommitted	59.2	.3	
Virginia, 21	0	.3	.1
Kentucky-Tennessee, 22-23	1.4	.3	0
Kentucky-Tennessee, 35-36	6.3	.1	0
Ohio, 42-44	0	0	0
Puerto Rican, 46	5.3	1.4	0
Connecticut Valley, 51-52	2.2	.9	.8
Wisconsin, 54-55	0	(1)	(1)
Total	456.1	188.8	

[1] Neglible.

Compiled from records of Tobacco Division, ASCS.

last season while EC took less. For the 1976 season, Japan's purchases will do well to stay at last year's high level. Middle East markets may take more. However, EC destination, including U.K., Italy, and West Germany, may reduce purchases as manufacturers increase their takings from other sources and utilization prospects remained dampened.

Supplies Increase

Despite a reduced crop, the increased carryover means that 1976/77 supply is above last season. Flue-cured tobacco acreage for harvest this year is forecast 10 percent below 1975, due to the smaller allotment. Acreage was up 1½ percent from April intentions but reductions from last year are indicated for all belts and States except Virginia and Florida. Nationally, the yield estimate is 1 percent below last season. The Old and Middle belt may increase, but in the Georgia-Florida belt yields are off sharply due to heavy rains in late May. The September 1 forecast for flue-cured production was 1,275 million pounds—10 percent below 1975. Output is down in all States and belts except Florida.

Flue-cured carryover last July 1 totaled 1,874 million pounds. This was 13 percent above a year earlier. The supply—production plus carryover—is about 3 percent above the 3,067 million pounds in 1975/76. This year's supply is 2.6 times last year's use, about equal to the desired ratio based on legislative formula. Carryover next July 1 will increase further (table 14).

Loan Stocks to Increase

By September 1, uncommitted loan stocks of 1969-75 flue-cured tobacco—a component of the carryover and supply estimates above—totaled 334 million pounds. This was 235 million pounds above a year earlier. With considerable loans from the 1975 and 1976 crops and relatively large holdings of lower stalk position categories, sales this season may remain low.

In 1975 and 1976 about 80 percent of the loan volume has been in the less desirable, low-stalk groupings. (Normally, about 30 percent of the entire crop consists of lower stalk positions—lugs, primings, and nondescript categories—tobaccos that are not as desirable for cigarette manufacture as the more flavorful, heavy bodied upper stalk leaf.) By next June 30, the end of the marketing year, loan volume may total 450 to 500 million pounds. While that amount is average size by comparison with the past decade or so, there is a considerable imbalance of grades in relation to current demand. At present support levels, these tobacco have little market overseas and U.S. manufacturers can import similar tobacco more economically.

BURLEY

Burley tobacco (type 31) goes chiefly for cigarettes. In the marketing year just ending, nearly three-fourths of burley is going for U.S. cigarettes, exports will take about 15 percent and other domestic products the rest. Domestic burley use continues below the 1964/65 peak due to relatively short supplies and near record prices. Despite the brisk demand for American type cigarette blends abroad, U.S. burley exports, although up, have not offset the reduced domestic use of recent years.

Disappearance Stabilizing

Domestic use of burley tobacco for the year ending September 30, probably will total about the same as the 520 million pounds used in 1974/75 (table 15). Exports will be up about 30 percent from the 68 million pounds last year. Total disappearance is expected to be above last season but about 2 percent below the record in 1973/74 of 619 million pounds. This would leave October 1 carryover about 3 percent larger than the relatively short supplies of a year earlier.

Disappearance for the first 9 months of the marketing year was 467 million pounds, up about 3 percent from a year earlier. Domestic use totaled 391 million pounds, down 13 million from last year. Although cigarette output has been increasing, burley has not maintained its historic share of the cigarette blend. Among the secondary outlets for burley, both bulk tobacco exports and smoking tobacco output are off.

For the first 10 months of this marketing year, burley exports totaled 80 million pounds, 25 million above a year earlier. Italy, the Netherlands, Japan, Korea, Switzerland, and Philippines took more; West Germany and Thailand took less. Foreign burley production increased almost 100 million pounds last year. Total foreign production is now less than 50 million pounds below U.S. production.

Supplies Increased

The September estimate of the 1976 U.S. burley crop is 626 million pounds—2 percent below 1975. Acreage for harvest is down 1 percent. This is the sixth year of poundage controls. For 1976 the effective quota is down 2 percent from last season. Prospective yields are slightly below last year's level. Burley tobacco remains in only fair condition as harvesting begins.

Burley supply for 1976/77 (indicated carryover plus new crop) is about 1 percent above last year and only 4 percent above 1974's low level. Prospective supply is about 2.8 times probable disappearance and is slightly below the desired supply based on legislative formula.

Since last winter there have been some uncommitted loan stocks. Last year's loan receipts were higher than expected. Despite higher prices, loan stocks this year may not increase substantially.

Auction sales usually begin in late November. The 1975 crop sold for an average of 105.6 cents per pound. Price supports for 1976 burley average 109.2 cents per pound, about 14 percent above 1975. Loan rates for individual grades will be announced before the markets open.

SOUTHERN MARYLAND

Southern Maryland tobacco (type 32) goes almost entirely into cigarettes with about one-third of the crop for export. But annual disappearance since 1950 has varied widely.

Use Down

Disappearance of Maryland tobacco during the first 9 months of the marketing year that began October 1, 1975, totaled 24 million pounds—13 percent below a year earlier. Both domestic use and exports declined. Record prices received for the small 1975 crop have reduced use. For the 1975/76 marketing year, disappearance, although down slightly, is expected to exceed reduced levels of the early 1970's (table 17).

Exports of Maryland tobacco remain low. In the first 10 months of the current marketing year, exports were substantially below a year-earlier period. Most markets took less tobacco, including Switzerland, the major destination in 1975. Swiss cigarette output was down.

Stocks Lower; Crop Up

By next January 1 carryover probably will decrease from this year's 53.6 million pounds. The Southern Maryland crop is estimated at 29 million pounds, 32 percent above 1975 when yields were down. Acreage allotments are not in effect, since growers disapproved a marketing quota for the 1976 crop. This year's crop, plus the estimated carryover will provide a 1976/77 supply about the same as the year now ending.

Auction sales for the 1975 Maryland tobacco crop began April 13 and ended June 3. Prices to growers averaged 109.1 cents per pound, a record high. Prices increased for all grades, and overall quality of offerings declined. The higher price resulted from a sharp decline in marketings, 30 percent less than the 1970-74 average.

FIRE-CURED

Fire-cured tobacco is used for making snuff, plug and twist chewing, cigar and smoking tobacco. Since U.S. production of most of these products has declined over the past decade, the use of fire-cured tobacco has also fallen. With shorter supplies, exports are also reduced.

Disappearance Down

Disappearance of fire-cured tobacco (types 21-23) during the first 9 months of the marketing year that began October 1, 1975 was 26 million pounds,

Table 17—Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1968-76

Marketing year	Acreage harvested	Yield per acre	Supply			Disappearance[1]			Average price per pound to growers
			Production	Stocks, Jan. 1	Total	Total	Domestic	Exports	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Cents*
1968	29.0	1,100	31.9	81.5	113.4	48.7	38.3	10.4	69.8
1969	26.5	1,060	28.1	66.7	94.8	41.3	29.1	12.2	75.1
1970	27.0	1,090	29.4	50.1	79.5	39.5	27.6	11.9	78.6
1971	27.0	1,040	28.1	46.0	74.1	25.5	17.5	8.0	81.9
1972	24.0	990	23.8	46.6	70.4	25.5	13.4	12.1	84.5
1973[2]	27.8	1,260	35.0	43.8	78.8	26.1	13.8	12.3	87.8
1974[2]	26.0	1,260	32.8	51.7	84.5	31.0	22.5	8.5	[3]92.2
1975[2]	23.0	950	[4]20.4	53.6	74.0	[5]28.0	[5]21.4	[5]6.6	[4]109.1
1976[6]	23.0	1,250	28.8	48.4	77.2				

[1] Year beginning October 1. [2] Includes sales and certification. [3] 95.6 cents in Maryland and 51.4 cents in other States. [4] Sales data. [5] Estimated. [6] Based on September 1 crop prospects and estimated stocks.

about the same as a year earlier. Declining cigar and smoking tobacco production cut domestic disappearance. In October 1975-June 1976, snuff output (the major domestic use of fire-cured) was about the same as a year earlier.

For the year ending this September, estimated disappearance of 35 million pounds is slightly below both last season's disappearance and output. Carryover stocks this October 1 will probably remain about the same as last year (table 18). Kentucky-Tennessee (types 22-23) will absorb the decline while Virginia (type 21) stocks are increasing.

Exports of fire-cured tobacco in the season now ending are expected to increase from the 1974/75 exports. Exports of 16.0 million pounds of Kentucky-Tennessee types during October 1975-July 1976 were 2½ million pounds above a year earlier. Virginia fire-cured exports of 2.9 million pounds in October 1975-July 1976 were about 1 million below a year earlier.

Production Down; Stocks Stable

The September estimate of fire-cured production was 35 million pounds, 5 percent below last year's crop. Acreage for harvest is slightly larger, however, average yield is down.

Combined supplies of the fire-cured types for 1976/77—estimated carryover and production—total about the same as the 86 million pounds of a year earlier.

DARK AIR-CURED

Dark air-cured tobacco (types 35-37) is used in the manufacture of plug, twist, fine-cut chewing tobacco, and snuff, and also to some extent for smoking tobacco and cigars. Production and use have declined about half in the past two decades. Exports now account for only one-seventh of annual disappearance.

Disappearance Increased

Disappearance of dark air-cured tobacco during the first 9 months of the current marketing year was 14 million pounds, 2 million above a year earlier. Exports steadied, but domestic use increased. Last year's price to growers averaged 12 cents per pound higher than in 1974.

For the year ending September 30, 1976, total disappearance may rise about 1 million pounds from the 17 million of last year. This would mean a carryover slightly below the 35 million of last October 1 (table 19).

Supplies Lower

The September estimate of this year's dark air-cured crop is 16 million pounds—about 8 percent above last year's relatively low level. Acreage for harvest is estimated higher than last year. Despite larger crops, smaller carryovers will give total 1976/77 supplies about 2 million below last year's 50 million pounds. Supplies will be 2.6 times the past season's use.

CIGAR TOBACCO

Cigar leaf tobaccos (types 41-62) are classified according to usage in cigar manufacture—filler, binder, and wrapper. However, loose leaf chewing tobacco takes most of the cigar binder. Exports are important for cigar wrapper; other kinds have negligible exports.

U.S. and Puerto Rico cigar leaf output declined last year, due to poor yields. Yields and prices to growers have increased. Output will rise this sea-

Table 18—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1967-76

(Farm-sales weight)

Marketing year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks, October 1—			Total supply
				Manufacturers and other	Under loan	Total	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
	Kentucky-Tennessee fire-cured, types 22-23						
1967	17.3	1,702	29.5	64.0	27.3	91.3	120.8
1968	17.9	1,822	32.6	57.3	21.5	78.8	111.4
1969	19.0	1,797	34.1	61.1	11.6	72.7	106.8
1970	17.7	1,749	30.9	54.1	9.7	63.8	94.7
1971	19.5	1,928	37.6	48.6	4.7	53.3	90.9
1972	20.4	1,844	37.6	55.0	1.2	56.2	93.8
1973	16.6	1,668	27.7	54.2	3.1	57.3	85.0
1974	16.2	1,602	26.0	44.0	1.1	45.1	71.1
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976[1]	18.6	1,620	30.1			42.3	72.4
	Virginia fire-cured, type 21						
1967	5.4	1,290	7.0	12.1	2.7	14.8	21.8
1968	4.9	1,205	5.9	8.9	2.8	11.7	17.6
1969	5.0	1,340	6.7	8.0	1.9	9.9	16.6
1970	5.0	1,230	6.2	8.4	1.4	9.8	16.0
1971	5.0	1,180	5.9	8.0	1.0	9.0	14.9
1972	4.8	970	4.7	7.9	.4	8.3	13.0
1973	4.7	1,205	5.7	7.6	([3])	7.6	13.3
1974	5.0	1,185	5.9	7.1	---	7.1	13.0
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976[1]	5.3	1,000	5.3			8.2	13.5

Marketing year beginning October 1	Disappearance			Average price per pound	Price support level	Placed under Government loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds	*Million pounds*	*Million pounds*	*Cents*	*Cents*	*Million pounds*	*Percent*
	Kentucky-Tennessee fire-cured, types 22-23						
1967	42.0	14.9	27.1	46.2	41.9	0.8	2.7
1968	38.7	[2] 19.1	19.6	51.1	43.1	.4	1.2
1969	43.0	18.5	24.5	48.1	44.6	1.9	5.6
1970	41.4	13.1	28.3	54.4	46.6	([3])	.1
1971	34.7	16.0	18.7	60.8	48.5	([3])	.1
1972	36.5	14.2	22.3	57.3	50.8	2.8	7.4
1973	39.9	15.7	24.2	71.7	53.5	.2	.7
1974	30.3	14.5	15.8	93.4	58.2	.7	2.7
1975	[4] 31.0	[4] 10.6	[4] 20.4	104.7	65.2	.1	.4
1976					74.1		
	Virginia fire-cured, type 21						
1967	10.1	3.4	6.7	40.9	41.9	.7	10.1
1968	7.7	3.0	4.7	46.9	43.1	.2	3.4
1969	6.8	1.7	5.1	53.1	44.6	.1	1.5
1970	7.0	2.4	4.6	52.0	46.6	.1	2.0
1971	6.6	3.1	3.5	54.8	48.5	.1	1.0
1972	5.4	1.3	4.1	64.2	50.8	([3])	.1
1973	6.2	1.7	4.5	75.5	53.5	([3])	---
1974	5.7	0.7	5.0	81.7	58.2	.3	4.5
1975	[4] 4.0	[4] 0.8	[4] 3.2	93.0	65.2	([3])	.9
1976					74.1		

[1] Based on September 1 crop prospects and estimated stocks. [2] Includes 4.7 million pounds fire loss, April 1969. [3] Less than 50,000 pounds. [4] Estimated.

Table 19—Dark air-cured tobacco, types 35-36, and Sun-cured tobacco type 37: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1967-76

(Farm-sales weight)

Marketing year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks			Total supply
				Manufacturers and others	Under loan	Total	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
	Dark air-cured, types 35-36						
1967	9.5	1,629	15.5	39.2	21.3	60.5	76.0
1968	9.8	1,831	18.0	41.1	17.1	58.2	76.2
1969	10.1	1,793	18.1	44.1	15.0	59.1	77.2
1970	8.2	1,863	15.4	35.5	18.2	53.7	69.1
1971	8.6	1,834	15.7	35.5	14.3	49.8	65.5
1972	8.2	1,875	15.5	33.5	12.7	46.2	61.7
1973	7.6	1,647	12.4	31.9	12.8	44.7	57.1
1974	7.0	1,653	11.6	31.4	5.5	36.9	48.5
1975	8.0	1,750	14.0	32.7	(2)	32.8	46.8
1976[1]	9.0	1,675	15.1			29.8	44.9
	Sun-cured, type 37						
1967	1.2	1,090	1.3	4.2	0	4.2	5.5
1968	1.1	1,095	1.2	3.9	0	3.9	5.1
1969	1.1	1,225	1.3	3.8	0	3.8	5.1
1970	1.0	1,100	1.1	3.3	0	3.3	4.4
1971	.9	1,200	1.1	3.1	0	3.1	4.2
1972	.8	1,010	.8	3.0	0	3.0	3.8
1973	.7	1,320	.9	3.2	0	3.2	4.1
1974	.7	1,315	.9	3.0	0	3.0	3.9
1975	.7	930	.7	2.3	0	2.3	3.0
1976[1]	.7	1,000	.7			2.0	2.7

Marketing year beginning October 1	Disappearance			Average price per pound	Price support level	Placed under Government loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds	*Million pounds*	*Million pounds*	*Cents*	*Cents*	*Million pounds*	*Percent*
	Dark air-cured, types 35-36						
1967	17.8	14.8	3.0	40.8	37.3	1.4	9.0
1968	17.1	15.0	2.1	47.4	38.3	.7	3.9
1969	23.5	21.2	2.3	40.3	39.7	4.8	26.5
1971	19.3	17.4	1.9	47.1	43.1	1.7	10.7
1972	17.0	14.7	2.3	50.3	45.2	1.2	.8
1973	20.2	17.4	2.8	61.9	47.6	(2)	.2
1974	15.6	12.8	2.8	76.9	51.8	.3	2.6
1975	[3]17.0	[3]14.6	[3]2.4	89.8	58.0	.1	.5
1976					65.9		
	Sun-cured, type 37						
1967	1.6	1.2	.4	45.2	37.3	[4]25	1.9
1968	1.3	1.1	.2	53.2	38.3	[4]1	.1
1969	1.8	1.5	.3	52.8	39.7	[4]1	.1
1970	1.3	1.1	.2	53.8	41.4	[4]3	.3
1971	1.2	1.0	.2	54.1	43.1	0	---
1972	.6	.4	.2	57.9	45.2	0	---
1973	1.1	.9	.2	69.2	47.6	0	---
1974	1.6	1.3	.3	82.1	51.8	[4]2	2.1
1975	[3]1.0	[3].8	[3].2	85.5	58.0	[5]	.1
1976					65.9		

[1] Based on September 1 crop prospects and estimated stocks. [2] Less than 50,000 pounds. [3] Estimated. [4] Quantity placed under Government loan in thousands of pounds. [5] Less than 500 pounds.

Cigar leaf tobacco price support operations, 1971-75

(Farm-sales weight)

Type	Placed under Government loan, crop years—				Remaining under loan, end of August				
	1972	1973	1974	1975	1972	1973	1974	1975	1976
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Ohio, 42-44	0	0	(1)	0	0	0	0	(1)	0
Puerto Rican, 46	3.4	3.0	0	0	0	0	5.3	1.4	0
Conn. Valley, 51-52	.6	.3	0.3	0.3	2.1	2.3	2.2	.9	0.8
Southern Wis., 54	(1)	0	(1)	0	(1)	(1)	0	0	(1)
Nothern Wis., 55	.2	0	0	0	0	.1	0	0	0
Total	4.2	3.3	0.3	0.3	2.1	2.4	7.5	2.3	0.8

[1] Negligible.

son. Imports of scrap remain large and wrapper imports have increased. The Philippines and countries in Central and South America are the chief foreign suppliers. About 150 million pounds of leaf are used annually for cigars and loose leaf chewing tobacco with imports predominating for cigars.

Filler Disappearance Again Dropping

For the first 9 months of the 1975/76 marketing year, total disappearance of U.S. cigar filler tobacco (types 41-46) was 24 million pounds, down 2 million from the year-earlier level. In the same period, production of loose leaf chewing tobacco gained but cigar production declined. So for the 1975/76 year, filler disappearance may fall one-seventh below the 35 million pounds of a year earlier (table 20).

Imports Supplementing U.S. Supplies

During October 1975-June 1976, U.S. manufacturers used 111 million pounds of foreign cigar tobacco (imports for consumption) or somewhat above a year earlier. Foreign-grown cigar leaf stocks in the United States on July 1 totaled 122 million pounds, down 12 million from a year earlier.

Cigar Binder Disappearance Stable

Cigar binder disappearance for October 1975-June 1976 was 16 million pounds, about the same as a year earlier. For Wisconsin tobacco, loose leaf chewing tobacco remains the major outlet, and that production has gained in the past 8 years.

Production gains for the more expensive cigars have raised disappearance of Connecticut Valley binder tobacco for 1975/76 above the previous season's consumption and output. Carryover on October 1, 1976, is expected to total about 4.6 million pounds.

Disappearance of Wisconsin tobacco for 1975/76 may fall 1 million pounds from 1974/75. This would be less than last season's production, bringing stocks to around 40 million on October 1, 1976.

Cigar Wrapper Disappearance Down

Disappearance of shade-grown wrapper (types 61-62) in the year ended June 30 was 10 million pounds, about 2 million below a year earlier. Exports were up, but domestic use fell to a new low. Production dropped sharply in Georgia-Florida. Connecticut Valley production is up slightly. Large labor requirements and rising costs hamper U.S. wrapper growers. This season Connecticut Valley growers continued to use local labor in place of migrant help that was used for many years.

U.S. and Puerto Rican Supplies Steady

Supplies of U.S. and Puerto Rican cigar tobacco may stabilize in 1976/77 following a long downtrend. Prospective production is up 3 percent but October 1, 1976 carryover is down slightly. Cigar filler and binder supplies are up and wrapper supplies are lower. By August 31, unsold loan stocks remained near last year's 1.4 million pounds.

Filler: As of September 1, the Pennsylvania filler crop was indicated at 23 million pounds 17 percent above 1975's but below the 1970-74 average. The new crop plus the carryover will provide a supply slightly above last season's.

Ohio filler acreage is estimated about 3 percent above the record low of last year. As of September 1, the crop was placed at 3.2 million pounds, about the same as last year. The crop plus the lower carryover will provide a total supply for 1976/77 about 0.4 million pounds below last year.

Carryover of Puerto Rican filler on October 1 is estimated to have fallen from a year earlier.

Table 20—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1967-76

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks[1]	Total supply	Total	Domestic	Exports	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Cents*
Pennsylvania Seedleaf Filler (type 41)									
1967	21.0	1,825	38.3	112.3	150.6	41.9	41.3	0.6	28.0
1968	21.0	1,775	37.3	108.7	146.0	40.9	40.0	.9	30.0
1969	20.0	1,825	36.5	105.1	140.6	44.3	43.7	.6	30.0
1970	17.0	1,800	30.6	97.3	127.9	40.9	40.7	.2	31.0
1971	15.2	1,610	24.5	87.0	111.5	41.3	40.6	.4	36.0
1972	13.0	1,400	18.2	70.2	88.4	34.7	34.4	.3	46.0
1973	13.0	1,700	22.1	53.7	75.8	28.3	27.5	.8	52.0
1974	13.0	2,000	26.0	47.5	73.5	[2]24.3	[2]24.0	[2].3	58.0
1975[3]	12.0	1,650	19.8	[2]49.2	69.0	[2]20.7	[2]20.4	[2].3	58.0
1976[3]	12.5	1,350	23.1	[2]48.3	71.4				
Ohio, Miami, Valley Filler (types 42-44)									
1967	2.3	1,580	3.6	15.5	19.1	6.2	6.2	---	29.0
1968	2.0	1,670	3.4	12.9	16.3	5.4	5.4	---	31.0
1969	1.7	1,650	2.8	10.9	13.7	4.7	4.7	---	32.5
1970	1.6	1,750	2.9	9.0	11.9	4.1	4.1	---	38.0
1971	2.0	1,850	3.8	7.8	11.6	4.6	4.6	---	41.0
1972	2.4	1,780	4.2	7.0	11.2	4.4	4.4	---	44.0
1973	2.2	1,420	3.1	6.8	9.9	4.0	4.0	---	51.0
1974	2.0	1,530	3.1	5.9	9.0	[2]3.1	[2]3.1	---	59.0
1975[3]	1.8	1,750	3.2	[2]5.9	9.1	[2]3.7	[2]3.7	---	60.0
1976[3]	1.9	1,700	3.2	[2]5.4	8.6				
Puerto Rico Filler (type 46)[4]									
1967	7.6	1,419	10.8	40.5	51.3	16.9	16.9	---	[5]33.1
1968	6.0	1,282	7.6	34.4	42.0	16.2	16.2	---	[5]33.3
1969	4.7	1,303	6.1	25.8	31.9	12.6	12.6	---	[5]33.6
1970	3.2	1,397	4.5	19.3	23.8	8.8	8.8	---	[5]36.1
1971	4.8	1,418	6.7	15.0	21.7	9.0	9.0	---	[5]39.8
1972	5.6	883	4.8	12.7	17.5	8.3	8.3	---	[5]42.1
1973	4.5	1,435	6.5	9.2	15.7	5.7	5.7	---	[5]42.1
1974	2.7	1,477	3.9	10.0	14.0	7.9	7.9	---	[5]45.5
1975[3]	2.7	1,500	4.0	[2]6.1	10.1	[2]5.6	[2]5.6	---	([6])
1976[3]	3.4	1,500	[6]5.1	[2]4.5	9.6				
Total Cigar Filler (types 41-46)									
1967	30.9	1,707	52.7	168.3	221.0	65.0	64.4	.6	29.1
1968	29.0	1,666	48.3	156.0	204.3	62.5	61.6	.9	30.5
1969	26.4	1,721	45.4	141.8	187.2	61.6	61.0	.6	30.6
1970	21.8	1,737	38.0	125.6	163.6	53.8	53.6	.2	32.1
1971	22.0	1,587	35.0	109.8	144.8	54.9	54.5	.4	37.3
1972	21.0	1,293	27.2	89.9	117.1	47.4	47.1	.3	45.0
1973	19.7	1,450	31.7	69.7	101.4	38.0	37.2	.8	49.7
1974	18.0	1,850	33.1	63.4	96.5	[2]35.3	[2]35.0	[2].3	56.6
1975[3]	17.3	1,630	27.0	[2]61.2	88.2	[2]30.0	[2]29.7	[2].3	56.2
1976[3]	17.8	1,750	31.4	[2]58.2	89.6				
Connecticut Valley Binder (types 51-52)									
1967	1.5	1,819	2.7	16.4	19.1	7.9	5.7	2.2	54.5
1968	1.6	1,808	2.8	11.2	14.0	5.1	4.7	.4	59.5
1969	1.6	1,434	2.3	8.9	11.2	4.2	3.9	.3	58.2
1970	1.7	1,756	2.9	7.0	9.9	2.7	2.4	.3	65.5
1971	1.6	1,743	2.8	7.2	10.0	2.6	2.5	.1	65.1
1972	1.6	1,600	2.5	7.4	9.9	2.4	2.3	.1	70.1
1973	1.6	1,721	2.7	7.5	10.2	3.2	3.1	.1	72.8
1974	1.5	1,737	2.5	7.0	9.5	[2]3.3	[2]3.1	[2].2	82.0
1975[3]	1.5	1,562	2.4	[2]6.2	8.6	[2]4.0	[2]3.8	[2].2	92.7
1976[3]	1.5	1,682	2.5	[2]4.6	7.1				
Southern Wisconsin Binder (type 54)									
1967	3.8	1,905	7.2	20.7	27.9	8.0	8.0	---	34.4
1968	3.7	1,990	7.4	19.9	27.3	7.7	7.7	---	36.8
1969	3.7	1,740	6.4	19.6	26.0	9.3	9.3	---	36.8
1970	4.4	2,135	9.4	16.7	26.1	7.3	7.3	---	40.2
1971	5.3	2,270	12.0	18.8	30.8	10.5	10.5	---	50.3
1972	5.0	1,685	8.4	20.3	28.7	9.3	8.3	---	48.0
1973	4.9	1,950	9.6	19.4	29.0	10.1	10.1	---	60.5
1974	4.7	2,060	9.7	18.9	28.6	[2]8.8	[2]8.8	---	74.9
1975[3]	5.6	1,945	10.9	[2]19.8	30.7	[2]9.5	[2]9.5	---	75.1
1976[3]	5.5	1,650	9.1	[2]21.2	30.3				
Northern Wisconsin Binder (type 55)									
1967	4.5	1,975	8.9	29.3	38.2	9.3	8.9	.4	34.1
1968	4.0	1,670	6.7	28.9	35.6	14.9	14.5	.4	37.9
1969	3.7	1,815	6.7	20.7	27.4	8.8	8.5	.3	43.4
1970	4.4	2,055	9.0	18.6	27.6	9.2	9.1	.1	52.0
1971	5.3	1,980	10.5	18.4	28.9	9.9	9.9	*	54.0
1972	5.8	1,770	10.3	19.0	29.3	9.8	9.8	*	49.0
1973	5.3	1,775	9.4	19.5	28.9	12.0	12.0	*	60.7
1974	4.7	1,870	8.8	16.9	25.7	9.9	9.9	*	75.4
1975[3]	5.4	1,835	9.9	[2]15.8	25.7	[2]6.5	[2]6.5	*	75.1
1976[3]	5.4	1,700	9.2	[2]19.2	28.4				

See footnote at end of table.

Table 20—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1967-76—Cont.

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks[1]	Total supply	Total	Domestic	Exports	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Cents*
	Total Wisconsin Binder (types 54-55)								
1967	8.3	1,943	16.1	50.0	66.1	17.3	16.9	0.4	34.2
1968	7.7	1,824	14.1	48.8	62.9	22.6	22.2	.4	37.3
1969	7.4	1,778	13.1	40.3	53.4	18.1	17.8	.3	41.8
1970	8.8	2,095	18.4	35.3	53.7	16.5	16.4	.1	51.1
1971	10.6	2,125	22.5	37.2	59.7	20.4	20.4	*	54.9
1972	10.8	1,731	18.7	39.3	58.0	19.1	19.1	*	48.5
1973	10.2	1,859	19.0	38.9	57.9	22.2	22.2	*	60.6
1974	9.4	1,965	18.5	35.8	54.3	[2]18.7	[2]18.7	*	75.1
1975	11.0	1,891	20.8	[2]35.6	56.4	[2]16.0	[2]16.0	*	75.1
1976[3]	10.9	1,675	18.3	[2]40.4	58.7				
	Total Cigar Binder (types 51-55)								
1967	9.8	1,924	18.8	66.4	85.2	25.2	22.6	2.6	37.1
1968	9.3	1,821	16.9	60.0	76.9	27.7	26.9	.8	41.0
1969	9.0	1,716	15.4	49.2	64.6	22.3	21.7	.6	44.3
1970	10.5	2,041	21.3	42.3	63.6	19.2	18.8	.4	53.1
1971	12.2	2,075	25.3	44.4	69.7	23.0	22.9	.1	56.1
1972	12.4	1,714	21.2	46.7	67.9	21.5	21.4	.1	51.1
1973	11.8	1,841	21.7	46.4	68.1	25.4	25.3	.1	62.1
1974	10.9	1,934	21.0	42.8	63.8	[2]22.0	[2]21.8	[2].2	76.0
1975	12.5	1,851	23.2	[2]41.8	65.0	[2]20.0	[2]19.8	[2].2	76.9
1976[3]	12.4	1,676	20.8	[2]45.0	65.8				
	Connecticut Valley Shade-grown (type 61)								
1967	8.5	1,124	9.6	16.0	25.6	12.9	9.6	3.3	360.0
1968	8.4	1,215	10.2	12.7	22.9	10.8	9.1	1.7	280.0
1969	6.3	1,288	8.1	12.1	20.2	8.0	7.0	1.0	400.0
1970	6.0	1,535	9.3	12.2	21.5	7.6	6.6	1.0	400.0
1971	4.7	1,635	7.7	13.9	21.6	8.4	5.7	2.7	400.0
1972	4.1	1,250	5.1	13.2	18.5	7.6	4.8	2.8	485.0
1973	5.0	1,210	6.1	10.7	16.8	8.3	6.4	1.9	515.0
1974	4.8	1,625	7.8	8.5	16.3	6.8	2.8	3.9	600.0
1975	4.5	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976[3]	4.2	1,538	6.5	7.5	14.0				
	Georgia-Florida Shade-grown (type 62)								
1967	5.1	1,573	8.0	8.7	16.7	7.9	6.3	1.6	245.0
1968	5.0	1,556	7.9	8.8	16.7	9.2	7.1	2.1	270.0
1969	5.0	1,569	7.8	7.5	15.3	6.1	5.2	.9	280.0
1970	3.6	1,590	5.6	9.2	14.8	6.7	5.8	.9	270.0
1971	3.0	1,582	4.7	8.1	12.8	6.2	5.4	.8	262.0
1972	3.0	1,517	4.6	6.6	11.2	4.2	3.8	.4	280.0
1973	2.6	1,413	3.7	7.0	10.7	4.2	3.7	.5	350.0
1974	1.9	1,724	3.2	6.5	9.7	[2]3.6	[2]3.1	.5	380.0
1975	1.1	1,556	1.7	[2]6.2	7.9	[2]2.0	[2]1.1	.9	400.0
1976[3]	.4	1,750	.6	[2]5.9	6.5				
	Total Shade-grown (types 61-62)								
1967	13.6	1,292	17.6	24.7	42.3	20.8	15.9	4.9	308.0
1968	13.4	1,343	18.1	21.5	39.6	20.0	16.2	3.8	276.0
1969	11.3	1,411	15.9	19.6	35.5	14.1	12.2	1.9	341.3
1970	9.6	1,555	14.9	21.4	36.3	14.3	12.4	1.9	351.0
1971	7.7	1,614	12.4	22.0	34.4	14.6	11.1	3.5	347.5
1972	7.1	1,365	9.7	19.8	29.5	11.8	8.6	3.2	387.0
1973	7.6	1,280	9.8	17.7	27.5	12.5	10.1	2.4	452.2
1974	6.6	1,652	11.0	15.0	26.0	[2]10.4	[2]6.0	4.4	536.1
1975	5.5	1,409	7.7	[2]15.7	23.4	[2]10.0	[2]5.3	4.7	585.7
1976[3]	4.6	1,554	7.1	[2]13.4	20.5				
	Grand Total Cigar Tobacco (types 41-62)								
1967	54.3	1,642	89.1	259.4	348.5	111.0	102.9	8.1	85.7
1968	51.7	1,610	83.3	237.5	320.8	110.2	104.7	5.5	85.9
1969	46.7	1,645	76.7	210.6	287.3	98.0	94.9	3.1	97.7
1970	41.9	1,771	74.2	189.3	263.4	87.3	84.8	2.5	102.3
1971	41.9	1,734	72.7	176.2	248.9	92.5	88.5	4.0	96.7
1972	40.4	1,434	58.1	156.4	214.5	80.7	77.1	3.6	104.4
1973	39.1	1,627	63.2	133.8	197.0	75.9	72.6	3.3	116.1
1974	35.5	1,834	65.3	121.2	186.3	[2]67.7	[2]62.8	[2]4.9	142.5
1975	35.4	1,635	57.9	[2]118.6	176.5	[2]60.0	[2]54.8	[2]5.2	135.1
1976	34.8	1,705	59.4	[2]116.5	175.9				

[1] October 1 for types 41-55; July 1 for types 61-62. [2] Estimated. [3] Based on September 1 crop prospects and estimated stocks. [4] Puerto Rican planting occurs late in calendar year; projected for 1976. [5] Excludes payment by Puerto Rican Government, 20 cents per pound in 1975. [6] Evaluated at 45.5 cents per pound. *Less than 50,000 pounds.

Foreign-grown cigar leaf tobacco: U.S. imports and stocks, 1972-76

(Farm sales weight)

Country of origin	October-September	Imports for consumption[1]				Dealers and manufacturers stocks, July 1—				
		October-June								
	1974-75	1972-73	1973-74	1974-75	1975-76	1972	1973	1974	1975	1976
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Philippines	20.5	15.9	38.4	12.8	21.9	33.9	31.1	40.9	39.7	43.9
Dominican Republic	17.8	11.2	11.0	11.7	12.2	12.0	18.7	22.0	24.0	17.0
Brazil	19.9	13.7	9.3	12.4	14.2	8.0	10.5	8.9	8.3	6.9
Colombia	8.4	9.7	5.3	5.9	5.2	11.1	13.2	9.7	12.5	11.4
Paraguay	8.1	6.4	4.1	5.4	4.0	4.1	6.7	8.3	10.8	6.3
Mexico	18.8	4.6	15.2	11.7	5.5	6.0	4.9	3.0	4.8	3.2
Indonesia	11.1	4.8	7.3	8.2	6.5	4.3	9.0	10.6	10.9	11.2
All others	35.4	22.6	29.8	27.8	41.2	14.4	20.1	20.6	23.2	21.6
Total	140.0	88.9	120.4	95.9	110.7	93.8	114.2	124.1	134.2	121.6

[1] Includes scrap tobacco from some countries that may be used in cigarette manufacture.

For 1976/77 the Puerto Rican government has announced a quota of 22½ million pounds—about 5 times the harvest early this year. Production has been considerably below the announced quota for the past several seasons even though the Commonwealth paid a subsidy of 20 cents per pound. Supply for 1975/76 may hold near the 10 million pounds of the past season.

Binder: Cigar binder acreage in the Connecticut Valley is estimated about the same as last year. Quotas were suspended again this year. Indicated yields are higher. As of September 1, production was estimated at 2.5 million pounds, about the same as last year. With a little smaller carryover, supplies may decline slightly.

Acreage of Wisconsin binder tobacco is estimated slightly above last year. Some growers again released their acreage allotments for use by growers wishing to increase their production. With smaller yields than last year, because of dry weather and hail damage, Wisconsin production is indicated at 18 million pounds, down about 12 percent. Carryover will be up from a year ago and production exceeded use. Supply will be up in 1976/77.

Wrapper: The indicated acreage of Connecticut Valley wrapper is below 1975. With the higher yields, production may increase 0.6 million pounds from last year's level. Carryover on July 1 was down from 1975. The supply of Connecticut Valley wrapper is the lowest since 1945.

Indicated acreage of Georgia-Florida wrapper is at the lowest level since 1933. Many growers have found the returns unprofitable in recent years. As of September 1, production was an indicated 0.6 million pounds, one-third of last year's low level. Carryover in July was down 0.2 million from a year earlier. A major buyer left the area early in 1976.

FOREIGN PRODUCTION AND SALES

World production of cigarettes gained 2 percent last year, as substantial price and tax increases have apparently slowed the rate of growth. Many foreign suppliers are increasing cigarette tobacco production and actively competing with the U.S. for larger market shares. The largest tobacco import market is the EC. The United States faces special competition since other countries either retain or have acquired additional preferential duties through actions of the EC in the last year.

Flue-cured Production May Be Down

Harvest of foreign flue-cured tobacco in 1976 may decline some from the 3.7 billion pounds in 1975. Some small producing countries will show gains. However, large producers such as Canada and India, will probably have smaller crops. The People's Republic of China (PRC) may have harvested a larger quantity, but none is expected to be available for export.

UK Takes More From Outside the U.S.

The United Kingdom now takes only about 14 percent of U.S. exports of unmanufactured tobacco. U.K. cigarette manufacturing has been affected for many years by extremely high revenue duties on tobacco. As a result, U.K. tobacco use has been about static for several years. U.K. tobacco manufacturers' export about one-sixth of their output. In 1975 exports of manufactured products rose 9 million pounds from a year earlier (table 21).

U.K. manufacturers' use (gross clearance from bond) declined slightly for 1975 as use increased late in the year after first declining sharply earlier. The U.S. share increased to 43 percent early in 1976 after the reduced 1975 use. With supplies from many other sources also increasing, U.K. stocks of U.S. leaf may stabilize in 1976/77. Cigarette manufacturers are further shifting to minicigarettes as a result of duty and excise tax increases. To also curb tobacco use, the British Health Ministry indicates existing voluntary tobacco health measures may be replaced with stiffer restrictions.

Duty Changes Favor Foreign Production

The EC's efforts in reducing its GSP (generalized preference plan) tariff rates and expanding import quotas for developing nations has aided production abroad vis-a-vis the United States. Tariff reductions and quota increases have aided Brazil, India, Mexico, Philippines, South Korea and other non-associated developing nations to export more tobacco to the EC. Proposed large tax increases and a change in cigarette tax structure in West Germany scheduled for January 1977 will further weaken the U.S. sales opportunity in the EC.

Brazil's reduced duty under the Latin American Free Trade Association also helps promote Brazilian production. Brazil's output in 1975 was 630 million pounds, 27 percent over 1974. Production is expected to be down in 1976, primarily due to excessive rains. Most of the large crop consists of flue-cured and burley tobacco destined for cigarette production and export.

For the multilateral trade negotiations now underway the major United States aim is to reduce tariffs and other barriers, including prohibiting export restrictions. However, the EC favors stabilizing international trade through commodity agreements rather than a general reduction in trade barriers.

World Tobacco Supply and Distribution

USDA's Foreign Agricultural Service recently published a world supply and distribution analysis for 1965-75 with a projection for 1980.[2] Excluded were the centrally planned countries (USSR, PRC, etc.) because of incomplete data. The analysis is divided into two periods—Part I; 1965-69, a period

[2] "Free-World Tobacco Supply and Distribution, 1965-80 An Evaluation," USDA Foreign Agriculture Circular FT 2-76, FAS, USDA, Washington, D.C. July 1976.

Table 21—United Kingdom tobacco: Imports, stocks, clearances, and exports, 1973-76

Item	July-June			Item	July-June		
	1973-1974	1974-1975	1975-1976		1973-1974	1974-1975	1975-1976
	Million pounds	*Million pounds*	*Million pounds*		*Million pounds*	*Million pounds*	*Million pounds*
Imports, by source:				Gross clearances:			
United States	122	101	90	Full duty rate	156	167	195
Commonwealth	147	161	130	Preferential rates	162	146	113
Other	78	96	84				
Total	347	358	304	Total	318	313	308
Exports:				Flue-cured:			
Manufactured products	67	67	63	United States	107	95	[1] 90
				Canada	63	([2])	([2])
				India	44	([2])	([2])
Unmanufactured	11	5	6	Zambia and Malawi	20	([2])	([2])
				Rhodesia	---	---	---
Stocks, June 30:				Other	33	([2])	([2])
Flue-cured	348	390	[1] 370				
including United States	131	118	[1] 103				
Other	24	26	130	Total	267	270	([2])
Total	372	416	[1] 400	Net clearances:	245	231	224

[1] Estimated. [2] Not available.

Compiled from official United Kingdom sources.

Table 22—Tobacco: EC imports, by major suppliers, 1955-75

Year	United States	Latin America	Other EC and Associates		India, Canada, Rhodesia, Zambia, Malawi	Other	Total	U.S. share of total
			Greece and Turkey	Other EC[1] and associated areas				
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Percent*
Average								
1955-59	119	53	90	41	27	57	387	30.7
1960-64	140	89	86	55	61	109	540	25.9
1965-69	168	107	96	59	39	160	630	26.8
1970	142	112	104	72	15	195	640	22.2
1971	178	126	126	81	19	213	743	24.0
1972	179	134	114	103	22	210	762	23.5
1973	171	125	117	152	22	190	777	22.0
1973[2]	342	150	120	168	161	255	1,196	28.6
1974[3]	300	179	114	194	190	344	1,321	22.7
1975[3]	284	192	76	175	186	269	1,182	24.0

[1] EC and associated areas includes countries in the Yaounde and Arusha agreements. [2] Belgium, Luxembourg, France, Italy, Netherlands, and West Germany. [3] EC (6) plus Denmark, Ireland, and United Kingdom.

of surplus; and 1970-74, a period of scarcity. In the analysis, 1965 is the benchmark year because it marked the end of free trade in Rhodesian leaf and the beginning of UN sanctions. Large stocks meant relatively stable prices for growers during the first period, but the shortage of tobacco in the second period meant grower prices jumped sharply. Production in 1975 expanded at an above-average rate. Anti-smoking campaigns and tobacco-saving technology may hold leaf consumption growth over the next few years to 2 to 2.5 percent annually. As in an earlier USDA analysis, the static production and use of United States tobacco is contrasted with the increases in other areas.[3]

[3]Richard Hall, "Long Term Trends in Tobacco Consumption and Production," Talk at National Agricultural Outlook Conference, Nov. 20, 1975.

TOBACCO USED IN CIGARETTES

1975/76 Developments

U.S. cigarette manufacturers used an estimated 1,220 million pounds of tobacco (unstemmed processing weight) in cigarettes in 1975. This was about 1 percent above the year before, as cigarette output increased. Use of U.S. tobacco decreased while imported tobaccos increased (table 23). This year, despite cigarette output again gaining, manufacturers are expected to use less tobacco.

Manufacturers used an estimated 1.87 pounds of tobacco (unstemmed weight) per 1,000 cigarettes produced in 1975, about 1½ percent below a year earlier. Domestic flue-cured tobacco accounts for almost half the tobacco used in cigarettes, with burley, Maryland, and imported tobaccos accounting for the rest. Last year the Maryland and imported proportions increased while flue-cured and burley declined.

The average weights of cigarettes sampled by the Federal Trade Commission (including paper and filter) have remained relatively stable over the past few years. This contrasts sharply with decline in leaf tobacco terms (i.e., farm sales weight, or unstemmed processing weight). This shift is due to the ability of manufacturers to use the whole leaf more efficiently, including reconstituted sheet tobacco and leaf expansion processes.

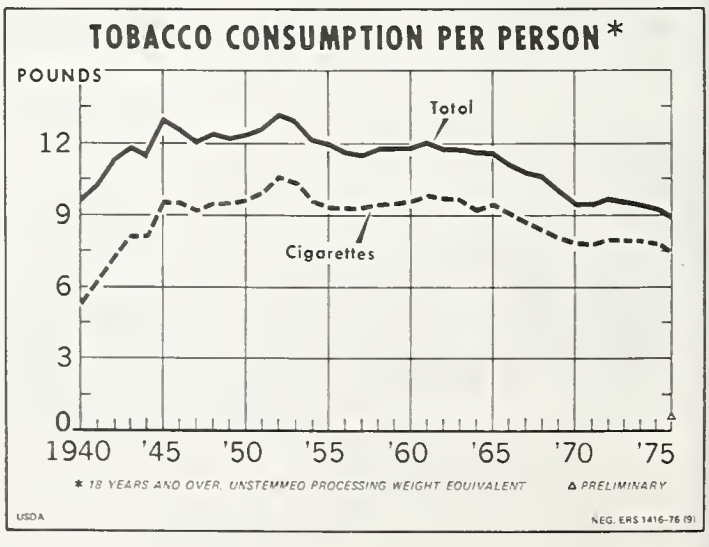


Table 23—Estimated leaf used for cigarettes by kinds of tobacco, 1950-75

Year	Farm-sales weight				Unstemmed-processing weight				
	Flue-cured	Burley	Maryland	Total domestic	Flue-cured	Burley	Maryland	Imported	Total
	Million pounds								
Average:									
1950-54	736	421	23	1,180	651	373	22	73	1,119
1955-59	701	417	20	1,138	622	371	19	92	1,104
1960-64	742	455	16	1,213	661	404	16	123	1,204
1965	723	485	17	1,225	643	433	17	132	1,225
1966	686	487	19	1,192	613	435	19	135	1,202
1967	658	483	19	1,160	587	432	19	154	1,192
1968	652	482	18	1,152	582	430	18	171	1,201
1969	612	447	31	1,090	546	399	31	157	1,133
1970	613	448	27	1,088	548	400	27	163	1,138
1971	596	432	24	1,052	532	386	24	165	1,107
1972	621	460	16	1,097	555	411	16	193	1,175
1973	659	485	14	1,158	588	433	14	196	1,231
1974	633	472	13	1,118	565	422	13	211	1,211
1975[1]	614	465	26	1,105	548	416	25	231	1,220
	Per 1,000 cigarettes								
	Pounds								
Average:									
1950-54	1.776	1.016	.057	2.849	1.571	.899	.053	.177	2.700
1955-59	1.570	.936	.045	2.551	1.394	.832	.042	.205	2.473
1960-64	1.396	.854	.030	2.280	1.242	.761	.030	.231	2.264
1965	1.298	.871	.031	2.200	1.155	.778	.030	.237	2.200
1966	1.209	.858	.033	2.101	1.081	.767	.033	.238	2.119
1967	1.142	.838	.033	2.013	1.019	.750	.033	.267	2.069
1968	1.125	.832	.031	1.988	1.004	.742	.031	.295	2.072
1969	1.097	.802	.056	1.955	.979	.716	.055	.282	2.032
1970	1.051	.768	.046	1.865	.940	.686	.046	.279	1.951
1971	1.034	.749	.042	1.825	.923	.669	.042	.286	1.920
1972	1.037	.768	.027	1.832	.926	.686	.027	.322	1.961
1973	1.023	.752	.022	1.797	.913	.672	.022	.304	1.911
1974	.998	.743	.020	1.761	.890	.665	.020	.332	1.907
1975[1]	.943	.714	.040	1.697	.842	.639	.038	.355	1.874
	Percentage distribution								
	Percent								
Average:									
1950-54	62.4	35.6	2.0	100.0	58.2	33.2	2.0	6.6	100.0
1955-59	61.6	36.7	1.7	100.0	56.3	33.6	1.8	8.3	100.0
1960-64	61.2	37.5	1.3	100.0	54.9	33.6	1.3	10.2	100.0
1965	59.0	39.6	1.4	100.0	52.5	35.3	1.4	10.8	100.0
1966	57.6	40.8	1.6	100.0	51.0	36.2	1.6	11.2	100.0
1967	56.8	41.6	1.6	100.0	49.3	36.0	1.6	12.9	100.0
1968	56.6	41.8	1.6	100.0	48.5	36.0	1.5	14.2	100.0
1969	56.2	41.0	2.8	100.0	48.2	35.2	2.7	13.9	100.0
1970	56.3	41.2	2.5	100.0	48.2	35.1	2.4	14.3	100.0
1971	56.7	41.0	2.3	100.0	48.1	34.8	2.2	14.9	100.0
1972	56.6	41.9	1.5	100.0	47.2	35.0	1.4	16.4	100.0
1973	56.9	41.8	1.2	100.0	47.8	35.2	1.1	15.9	100.0
1974	56.7	42.2	1.1	100.0	46.7	34.9	1.0	17.4	100.0
1975[1]	55.5	42.1	2.4	100.0	44.9	34.1	2.0	18.9	100.0

[1] Subject to revision.

Table 24—Cash receipts from tobacco as percentage of cash receipts from crops and all farm commodities, by States, 1974 and 1975

State	1974			1975[1]		
	Tobacco	Tobacco as:		Tobacco	Tobacco as:	
		Percentage of crops	Percentage of all farm commodities		Percentage of crops	Percentage of all farm commodities
	Million dollars	*Percent*	*Percent*	*Million dollars*	*Percent*	*Percent*
North Carolina	838	50.6	32.6	951	56.7	35.6
Kentucky	470	52.2	31.6	408	51.1	27.8
South Carolina	179	29.8	20.8	188	33.7	22.7
Virginia	147	29.6	15.4	149	30.8	14.8
Tennessee	123	22.1	12.1	122	23.7	11.1
Georgia	168	15.8	8.1	154	14.0	6.9
Florida	37	2.2	1.7	29	1.6	1.2
Maryland	29	11.2	4.6	29	11.1	4.3
Connecticut	28	33.3	13.3	36	37.5	16.7
Pennsylvania	11	2.3	.7	15	3.1	.9
Ohio	21	1.3	.8	21	1.3	.8
Indiana	18	.9	.6	15	.8	.5
Massachusetts	10	11.4	5.1	13	13.7	6.4
Wisconsin	12	2.3	.5	14	2.6	.5
Missouri	6	.4	.2	6	.5	.2
West Virginia	2	5.0	1.3	3	6.8	2.0
United States[2]	2,097	4.1	3.2	2,155	4.6	2.4

[1] Subject to revision. [2] U.S. total receipts from tobacco include relatively small receipts from a few States not shown separately.

Detail may not add to total due to rounding.

Table 25—Expenditures for tobacco products, and disposable personal income, 1967-76

Year	Total	Cigarettes	Cigars	Other[1]	Disposable personal income[2]	Percent of disposable personal income			
						All products	Spent on tobacco products		
							Cigarettes	Cigar	Other[1]
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Billion dollars*	*Percent*	*Percent*	*Percent*	*Percent*
1967	9,582	8,572	706	304	544	1.76	1.57	.13	.06
1968	10,112	9,094	703	315	588	1.72	1.55	.12	.05
1969	10,444	9,404	701	339	630	1.66	1.49	.11	.05
1970	11,544	10,448	707	389	686	1.68	1.52	.10	.06
1971	12,155	11,040	700	415	743	1.64	1.49	.09	.06
1972	12,910	11,765	720	425	801	1.61	1.47	.09	.05
1973	13,485	12,325	730	430	903	1.49	1.36	.08	.05
1974[3]	14,450	13,270	705	475	984	1.47	1.35	.07	.05
1975[4]	15,630	14,450	675	505	1,077	1.45	1.34	.06	.05
1976[4]	16,660				1,190	1.39			

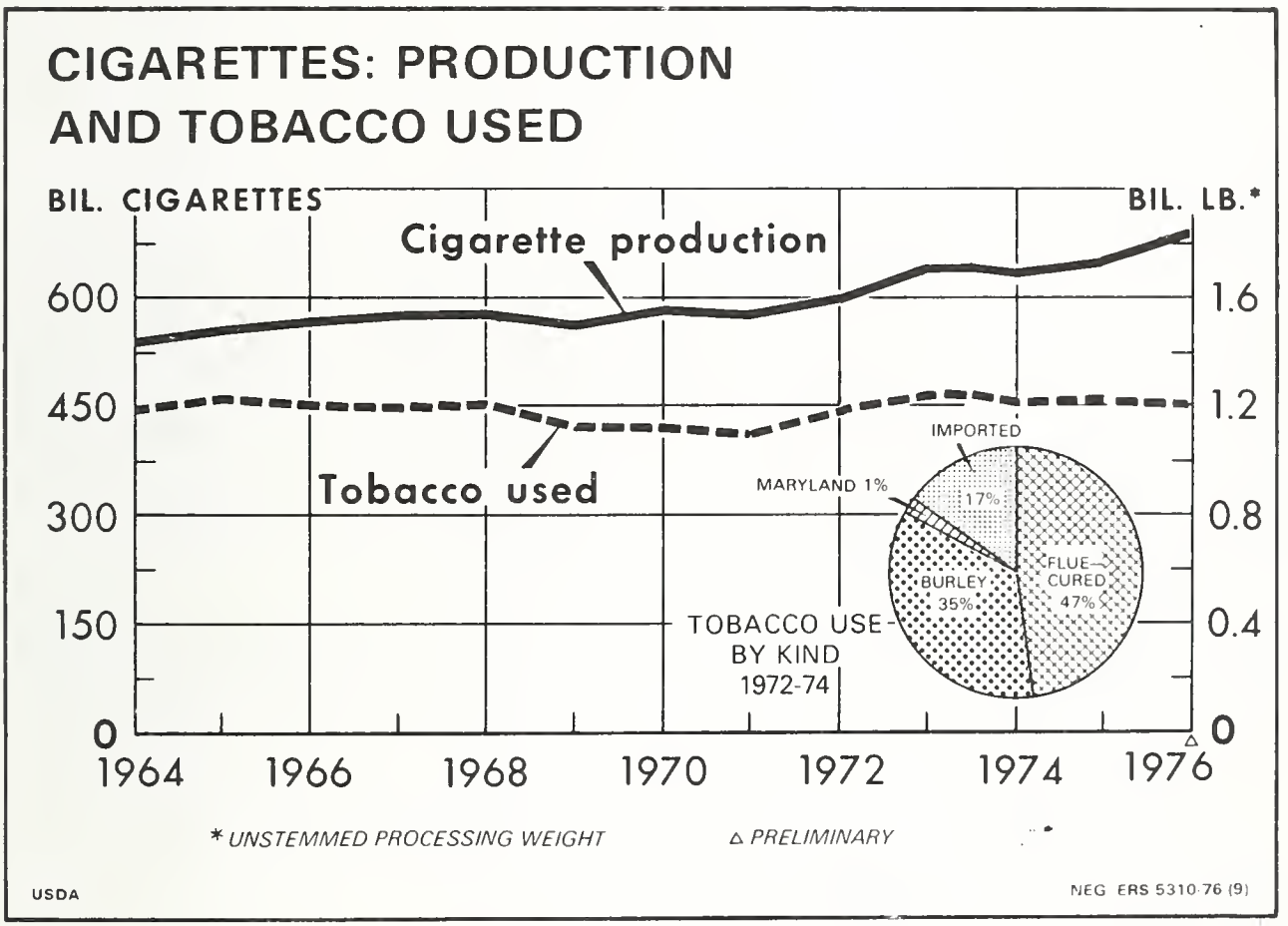
[1] Smoking tobacco, chewing tobacco, and snuff. [2] Compiled from reports of Department of Commerce, Bureau of Economic Analysis. [3] Subject to revision. [4] Estimated.

Table 26—Governmental revenues from tobacco products, 1967-76

Fiscal year	Federal Government				State and local Governments		All Governments
	Cigarettes[1]	Cigars[2]	Other[3]	Total	State	Local	
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*
1967-68	2,066	55	1	2,122	1,886	100	4,108
1968-69	2,082	54	2	2,138	2,056	97	4,291
1969-70	2,036	57	1	2,094	2,308	129	4,531
1970-71	2,150	55	2	2,207	2,536	140	4,883
1971-72	2,151	54	2	2,207	2,831	168	5,206
1972-73	2,221	54	2	2,277	3,112	174	5,564
1973-74	2,383	52	2	2,437	3,250	117	5,804
1974-75	2,261	51	3	2,315	3,286	109	5,710
1975-76[4]	2,400	47	3	2,450	3,430	120	6,000

[1] Includes large cigarettes. [2] Includes small cigars and revenue on cigars from Puerto Rico covered into the Treasury of Puerto Rico. [3] Includes cigarette paper and tubes, and imported cigarettes and cigars. [4] Estimated.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.



STATISTICAL SUMMARY

Item	Unit or base period	1975 July	1975 August	1976 June	1976 July	1976 August	Last data as percentage of a year earlier
Average price at auctions							
Flue-cured	Ct. per lb.	89.4	95.2	closed	98.7	108.7	114
Burley	Ct. per lb.	closed	closed	closed	closed	closed	---
Maryland	Ct. per lb.	closed	closed	105.5	closed	closed	122
Virginia fire-cured	Ct. per lb.	closed	closed	closed	closed	closed	---
Ky.-Tenn. fire-cured	Ct. per lb.	closed	closed	closed	closed	closed	---
Ky.-Tenn. dark air-cured	Ct. per lb.	closed	closed	closed	closed	closed	---
Virginia sun-cured	Ct. per lb.	closed	closed	closed	closed	closed	---
Support price 1/							
Flue-cured	Ct. per lb.	93.2			106.0		114
Burley	Ct. per lb.	96.1			109.3		114
Maryland	Ct. per lb.	No support			No support		---
Virginia fire-cured	Ct. per lb.	65.2			74.1		114
Ky.-Tenn. fire-cured	Ct. per lb.	65.2			74.1		114
Ky.-Tenn. dark air-cured	Ct. per lb.	58.0			65.9		114
Virginia sun-cured	Ct. per lb.	58.0			65.9		114
Connecticut Valley cigar binder	Ct. per lb.	66.5			75.6		114
Wis. binder and Ohio filler	Ct. per lb.	48.0			54.6		114
Puerto Rican filler	Ct. per lb.	49.9			56.7		114
Parity index 2/	1910-14=100	621	624	663	665	663	104
Industrial production index 3/	1967=100	118.4	121.0	130.0	130.7	131.4	109
Employment	Mil.	86.6	86.6	88.5	89.6	89.4	103
Personal income 4/	Bil. dol.	1,252.0	1,267.5	1,370.4	1,383.4	1,389.5	110
		1975 June	1975 July	1976 May	1976 June	1976 July	
Taxable removals							
Cigarettes	Bil.	49.5	46.3	50.3	58.4		
Cigars and cigarillos	Mil.	525.2	463.0	425.3	483.7		
Accumulated from Jan. 1							
Cigarettes	Bil.	289.3	335.6	261.7	320.1		
Cigars and cigarillos	Mil.	2,877.6	3,340.5	2,246.1	2,729.8		
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	22.8			22.0		96
Chewing tobacco	Mil. lb.	39.0			40.9		105
Snuff	Mil. lb.	12.8			13.4		105
Tax-exempt removals							
Cigarettes	Bil.	4.8	5.7	5.3	6.2		
Exports	Bil.	3.3	4.2	5.2	5.0	4.3	102
Cigars and cigarillos	Mil.	9.3	9.1				
Accumulated from Jan. 1							
Cigarettes	Bil.	28.6	34.3	26.1	32.0		112
Exports	Bil.	22.6	26.7	25.5	30.5	34.8	130
Cigars and cigarillos	Mil.	63.2	71.4	60.8	71.0		112
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	5.9			4.8		81
Chewing tobacco	Mil. lb.	---			---		---
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1967=100	153.9	153.9	168.2	163.2	168.2	109
Cigars	1967=100	122.0	122.0	125.6	125.6	125.6	103
Smoking tobacco	1967=100	163.7	163.7	177.5	177.5	177.5	108
Plug chewing tobacco	1967=100	175.0	175.0	184.1	184.1	184.1	105
Snuff	1967=100	184.3	184.3	190.5	190.5	190.5	103
Consumer price indexes (urban) 6/							
Cigarettes (reg. nonfilter)	1967=100	155.7	155.9	162.2	162.3	162.5	104
Cigarettes (filter tip king)	1967=100	156.3	156.8	162.9	163.0	163.2	104
Cigars (domestic reg. size)	1967=100	123.8	124.5	129.4	129.6	129.9	104
Imports of tobacco							
Cigarette leaf	Mil. lb.	18.7	14.4	21.0	15.2	11.8	82
Cigar tobacco 7/	Mil. lb.	13.0	12.0	15.9	13.4	10.7	89
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	119.9	134.4	98.1	113.4	125.2	93
Cigar tobacco 7/	Mil. lb.	73.9	92.5	62.4	75.8	86.5	93

See footnotes at end of table.

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1975 June	1975 July	1976 May	1976 June	1976 July	Last data as percentage of a year earlier
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	29.6	21.0	19.6	20.1	17.3	82
Burley	Mil. lb.	4.0	2.9	7.1	6.5	3.7	127
Maryland	Mil. lb.	.5	.4	.5	1.3	1.2	300
Virginia fire- & sun-cured	Mil. lb.	.2	*	.1	.1	*	---
Ky.-Tenn. fire-cured	Mil. lb.	.3	1.3	1.4	1.0	.0	69
Ky.-Tenn. dark air-cured	Mil. lb.	.2	*	.3	.1	*	---
Black Fat	Mil. lb.	*	.4	*	.2	.2	50
Cigar wrapper	Mil. lb.	.5	.3	.1	.1	.1	33
Connecticut binder	Mil. lb.	0	*	0	*	*	---
Wisconsin binder	Mil. lb.	0	0	.1	.0	*	---
Accumulated from beginning of marketing year 8/							
Flue-cured	Mil. lb.	548.3		502.3	522.4		
Burley	Mil. lb.	51.7	54.6	69.8	76.3	80.0	147
Maryland	Mil. lb.	6.9	7.3	3.6	4.9	6.1	84
Virginia fire- & sun-cured	Mil. lb.	4.1	4.1	3.0	2.1	3.1	76
Ky.-Tenn. fire-cured	Mil. lb.	11.3	12.6	13.4	14.3	15.2	121
Ky.-Tenn. dark air-cured	Mil. lb.	.5	.5	.4	.5	.5	100
Black Fat	Mil. lb.	2.5	2.9	2.1	2.3	2.5	86
Cigar wrapper	Mil. lb.	4.4	.3	2.1	2.2	.1	50
Connecticut binder	Mil. lb.	0	.2	.1	.2	.1	150
Wisconsin binder	Mil. lb.	*	*	.1	.1	*	---
Cigar filler	Mil. lb.	.2	.2	.3	.3	.3	150
Exports of manufactured tobacco in bulk	Mil. lb.	*	1.0	1.0	1.1	1.1	110
Accumulated from Jan. 1	Mil. lb.	12.3	13.2	6.3	7.4	8.4	64
		Quarterly data					
		1975 Apr.-June	1975 July-Sept.	1976 Apr.-June	1976 July-Sept.		
Stocks of tobacco--1st of quarter 9/							
Domestic types (farm-sales weight)							
Flue-cured	Mil. lb.	1,932	1,652	2,089	1,874		113
Burley	Mil. lb.	1,374	1,224	1,420	1,265		103
Maryland	Mil. lb.	45	67	48	58		87
Fire-cured	Mil. lb.	64	57	68	59		104
Dark air- and sun-cured	Mil. lb.	43	40	39	36		90
Cigar filler	Mil. lb.	72	71	71	64		90
Cigar binder	Mil. lb.	52	47	54	49		104
Cigar wrapper	Mil. lb.	19	15	16	13		87
Under Government loan 10/	Mil. lb.	249	221	408	408		185
Tobacco sheet 11/							
Cigarette types	Mil. lb.	27.8	22.4	21.8	24.9		111
Cigar types	Mil. lb.	.9	1.5	1.7	1.9		127
Foreign types (unst. equiv.)							
Cigarette and smoking	Mil. lb.	567	623	628	619		99
Cigar	Mil. lb.	129	134	126	122		91
Tobacco outlets 12/							
Seasonally adjusted data, annual rates, for charts, p.2							
Cigarettes							
Production	Bil.	643.2	642.7	685.4	660.0		103
Taxable removals	Bil.	590.8	579.1	621.6	596.5		103
Cigar production	Bil.	6.27	5.66	5.22	5.43		96
Smoking production	Mil. lb.	47.3	45.4	47.2	45.4		100
Chewing production							
Loose leaf	Mil. lb.	54.3	47.5	58.2	57.0		120
Plug and other	Mil. lb.	27.7	28.6	27.5	28.6		100
Snuff production	Mil. lb.	24.8	25.1	24.6	25.5		100
Exports of leaf							
Total	Mil. lb.	626.1	447.3	523.5	525.0		117
Flue-cured	Mil. lb.	453.0	360.7	319.9	360.0		100

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